

LILY H. FANG

Professor of Finance
AXA Chair of Financial Market Risk
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ACADEMIC POSITIONS

Dean of Research, INSEAD, Sep 2021-

Professor of Finance, INSEAD, Sep 2018

- AXA Chair in Financial Market Risk

Associate Professor of Finance (with tenure), INSEAD, Sep 2012

Visiting Associate Professor of Finance, MIT Sloan, July 2014 – Aug 2015

- Winner of the Outstanding Teacher Award

Assistant Professor of Finance, INSEAD, Sep 2003 – June 2012

- Maternity leaves: academic years 2007-08 and 2010-11

EDUCATION

Ph.D., Finance, The Wharton School, University of Pennsylvania, May 2003

M.A., Finance, The Wharton School, University of Pennsylvania, May 2000

B.Sc., Management System Science, Simon Fraser University, Canada, May 1997

International Baccalaureate, Lester B. Pearson College of the Pacific, Canada, May 1994

RESEARCH

Primary interests

- Information dissemination in financial markets:
 - Financial intermediation and financial institutions:
banks; investment banks; analysts; mutual funds; private equity funds; index funds/ETF
 - Media
- Investor behavior and market anomalies

Secondary interests

- Innovation and entrepreneurship
- Intellectual property rights protection
- China's economy and markets

Refereed Publications

- Anti-Corruption, Government Subsidies, and Innovation: Evidence from China, 2022, forthcoming, *Management Science* (Entrepreneurship), (with Josh Lerner, Chaopeng Wu, and Qi Zhang), forthcoming
- Gender and Connections among Wall Street Analysts, (with Sterling Huang), 2017, *Review of Financial Studies* 30 (9), 3305-3335.
 - Featured in Harvard Business Review, Wall Street Journal
- Intellectual Property Rights Protection, Ownership, and Innovation: Evidence from China, (with Josh Lerner and Chaopeng Wu), 2017, *Review of Financial Studies* 30 (7), 2446-2477.
- School Holidays and Stock Market Seasonality, (with Chunmei Lin and Yuping Shao), June 2017, *Financial Management*
- The Disintermediation of Financial Markets: Direct Investing in Private Equity, (with Victoria Ivashina and Josh Lerner), 2015, *Journal of Financial Economics* 116 (1), 160-178
 - Multiple Top 10 lists on SSRN
 - Featured by the Financial Times, Reuters, Wall Street Journal, Forbes, etc.
- Does Media Coverage of Stocks Affect Mutual Funds' Trading and Performance?, (with Joel Peress and Lu Zheng), 2014, *Review of Financial Studies* 27 (12), 3441-3466.
- Are Stars' Opinions Worth More? The Relation between Analyst Reputation and Recommendation Values (with Ayako Yasuda), 2014, *Journal of Financial Services Research* 46 (3), 235-269.
- Combining Banking with Private Equity Investing, (with Victoria Ivashina and Josh Lerner), 2013, *Review of Financial Studies* 26 (9), 2139-2173.
 - Top "Editor's choice" article
- Competitive Dynamics in Forecasting: The Interaction of Skill and Uncertainty, (with Theos Evgeniou, Robin Hogarth, and Natalia Karelaia), 2013, *Journal of Behavioral Decision Making* 26 (4), 375-384.
 - SSRN Top 10 list on "Experimental Individual Decision Making"
- Media Coverage and the Cross-section of Stock Returns, (with Joel Peress), 2009, *Journal of Finance* 64 (5), 2023-2052
 - Winner of the 2009 Smith Breeden Distinguished Paper prize
- The Effectiveness of Reputation as a Disciplinary Device in Sell-side Research, (with Ayako Yasuda), 2009, *Review of Financial Studies* 22 (9), 3735-3777.
- Investment Bank Reputation and the Price and Quality of Underwriting Services, 2005, *Journal of Finance* 60 (6), 2729-2761.

Completed Working Papers

- Private equity and pay gaps inside the firm, June 2022, with Jim Goldman and Alexandra Roulet, preparing for submission
- Director self-dealing and design of compensation contracts, May 2022, with Sterling Huang, under review
- The Tangible Benefits of Environmental and Social Considerations, March 2022, with Shiwon Song and Grace Fan, preparing for submission
- Limits of Diversification, June 2022, with Lu Zheng (UC Irvine), Hao Jiang (Michigan State), Zheng Sun (UC Irvine), and Ximing Yin, preparing for submission
- Family Values and Innovation: Evidence from Chinese Family Businesses, July 2019, with Josh Lerner and Chaopeng Wu
- Does the One-Child Policy Impede Innovation in China? Evidence from a Regression Discontinuity Design, July 2019, with Josh Lerner and Chaopeng Wu
- Local and international VCs in China, with Yasheng Huang (MIT) and Jiamin Xu (Beijing University), manuscript

Work In Progress

- The value of sustainability: the role of investor preference, with Shiwon Song (INSEAD) and Grace Fan (Singapore Management University)
- Firms' voluntary information events, preliminary manuscript

Other Publications

- A Market Approach to Governance of Wall Street Research – Leveraging Personal Reputation, with Ayako Yasuda, *Financial Times*, Mastering Financial Management, May 26, 2006
- The Market Should be Allowed to Operate Freely - An Interview About Private Equity in China, *Securities Market Weekly* (China), July 15, 2006, pg. 28-30
- Connecting on Wall Street, *Finance and Development* (IMF publication), June 2013

Cases

- Hony Capital and China Glass Holdings, with Roger Leeds, World Economic Forum, 2008
- 3i Group plc and Little Sheep, with Roger Leeds, World Economic Forum, 2008
- Warburg Pincus and Bharti Tele-Ventures, with Roger Leeds, World Economic Forum, 2008
- ICICI Venture and Subhiksha, with Roger Leeds, World Economic Forum, 2008
- City Telecom: How David Took on Goliaths in the Telecom Infrastructure Race, INSEAD 02/2010-5674, 2010
- Muddy Waters Research and China Concept Stocks, 2012
- Square Inc.'s Valuation in 2014, INSEAD 03/2018-6385
- Amanda Chen and Amazon's Equity-linked Compensation, 2020
- Greenfield Inc., INSEAD 04/2019-6469
- WorldMart Stores and SmartTechnology, INSEAD 11/2020-5946
- Harman International, INSEAD 02/2021-6516

TEACHING

MBA Program

- Financial Markets and Valuation: (core course)
- Private Equity Finance: (elective)
- Entrepreneurial Finance (elective)
- China's Capital Markets: (elective)
- Business Foundations – Financial markets: (elective)

Dean's Commendation Awards for Excellence in MBA Teaching (for achieving ratings above 4.5/5 multiple times in an academic year): 2009-10, 2013-14, 2015-16, 2016-17.

Nominee for the Teaching Award: 2017.

Executive MBA Program

- Corporate Financial Policy (core course)
- China's Capital Markets (elective)
- Project supervision

Masters in Finance Program

- Capital Markets (core)
- Venture Capital (elective)
- Asia Pacific Economies and Markets (elective)

Executive Development Programs (EDP)

- Open-enrollment programs: Finance For Executives; Mastering Alternative Investments; Asian International Executive Program; Management Acceleration Program; FinTech (online)
- Company-specific programs: Macquarie/INSEAD Master of Finance; MUBADALA; McKinsey; Alstom; HP; Petronas; Axiata; Orica; Adidas; KPMG; Abu Dhabi Government; IBM; Hana Financial; ILIPSIE; Young Presidents' Organization; Pertamina; HNA; Barry Callebaut

Executive Program Direction

- Director: Finance for Executive Program
- Director: FinTech program (online)
- Director: Mastering Alternative Investments, an open-enrollment program
- Director: MUBADALA Development Program, Level II, a company-specific program
- Director: F-TEN (Financial Talent Executive Network): Leadership Program for Senior Financial Executives
- Director: CFA Institute program
- Director: HNA Chief Financial Officer program
- Director: HNA Chief Investment and Innovation Officer program

PhD Course

- Research in Corporate Finance (elective)

MIT Sloan School of Business

- 15.401 Finance Theory (First finance course)
- 15.414 Financial Management for Sloan Fellows (executive MBA) program
- Winner, Outstanding Teacher Award, academic year 2015-16

OTHER ACADEMIC EXPERIENCES

Major Conference Presentations and Discussions

- 2004: WFA; EFA; International Industrial Organization Conference (Chicago)
- 2006: AFA; EFA; Swiss Society for Financial Market Research Conference; Financial Intermediation Research Society (FIRS) Conference
- 2007: WFA; EFA; China International Conference in Finance; Singapore International Conference in Finance
- 2009: AFA

- 2010: New York Fed/Stern/RFS joint conference
- 2011: AFA; Collier Institute Private Equity Findings Symposium (LBS)
- 2012: AFA; Chicago Fed Conference; NBER China
- 2013: AEA; Collier Institute Private Equity Findings Symposium (LBS); NBER Corporate Finance
- 2016: AEA
- 2018: NBER Corporate finance; NBER China workshop
- 2020: Future of Finance conference, University of Stockholm, Keynote speaker
- 2021: NBER Summer Institute – Labor; RFS/NBER joint conference on inequality; UNC Private Equity Spring Symposium; European Finance Association Conference

Invited Presentations

- 2002: Lehman Brothers
- 2003: Boston College; INSEAD; University of Colorado (Boulder); University of Oregon; University of Washington; Washington University in St. Louis; Yale University School of Management; Moody's | KMV; Federal Reserve Bank of New York
- 2004: Singapore Management University; National University of Singapore
- 2005: Hong Kong University of Science and Technology
- 2007: University of Wisconsin, Madison; Imperial College London
- 2008: Numeric Investors, LLC
- 2010: Wharton; Tilburg University; Erasmus University; Maastricht University
- 2011: UT Austin, UC Irvine
- 2012: Chicago Fed
- 2013: Macquarie Quant Conference
- 2015: Boston College; Brandeis University; Yale SOM
- 2021: Beijing University

Referee Work

Journal of Finance; Journal of Financial Economics; Review of Financial Studies; Journal of Accounting and Economics; Journal of Financial and Quantitative Analysis; Review of Finance; Journal of Financial Intermediation; Journal of Banking and Finance; European Financial Management; Financial Review; Management Science

PhD Student Committees

- Nishan Dass (PhD INSEAD; Placement: Georgia Institute of Technology)
- Hao Jiang (PhD National University of Singapore; Placement: Erasmus University, Holland)
- Sterling Huang (PhD INSEAD; Placement: Singapore Management University)
- Jim Goldman (PhD INSEAD; Placement: University of Toronto Economics)
- Sergio Gaspar (PhD INSEAD; Placement: The Monitor Group)
- Simona Abis (PhD INSEAD; Placement: Columbia Graduate School of Business)

Conference Program Committees

- 1st, 2nd, and 3rd Singapore International Conference on Finance (organized by the National University of Singapore)
- American Finance Association conference
- Western Finance Association Conference
- FIRS conference
- European Finance Association Conference
- Future of Finance Conference
- CICF Conference

Professional Memberships

- American Finance Association; Western Finance Association

MEDIA PRESECE/PUBLIC RELATIONS

- Panelist, Bloomberg TV Leadership Forum, Singapore, 2005; Hong Kong, 2007 (fellow panelists include Managing Partner, McKinsey Hong Kong; Chairman, Keppel Group)
- Speaking as faculty representative at the launch of the INSEAD Asia Pacific Institute of Finance, 2005
- Speaking as faculty representative at the INSEAD East Asian Council meeting, 2005
- Interviewed on private equity in China by *Capital Markets Weekly*, a leading journal for practitioners and regulators in China
- Moderator for a panel discussion on gender and investments, 2008; interviewed by multiple media outlets on the subject
- Invited to attend the first World Economic Forum New Champions Meeting, Dalian, China, 2007
- Invited as a panelist for the AT Kearney conference “Banking After the Crisis”, 2010 fellow panelist include Dr. Thomas Hoenig, Present, Federal Reserve Bank of 2011 Kansas City)
- Invited to the Federal Reserve Bank Symposium in Jackson Hole, Wyoming, 2010
- Interviewed numerous times by INSEAD Knowledge on research topics
- Facilitator for “*Dialog with Jim Rogers*”, INSEAD open media event, 2014
- Interview with Jim Rogers, INSEAD Knowledge, 2014
- Interview by Wall Street Journal on gender issues in business, 2015
- Interviews by INSEAD Knowledge, 2016
- Interviews by Wall Street Journal on tech stocks, 2017
- Interviews by CNN Money; Reuters and various other media outlets on Covid and economy and on Ant Financial and FinTech, 2020

PROFESSIONAL EXPERIENCES

- Board of Governors (co-opted member), Finance Committee, United World College South East Asia (UWCSEA), 2012-2014
- McKinsey & Company, 2001

- The Cole's Group Actuaries and Consultants, Vancouver, Canada, 1996

OTHER AWARDS AND HONORS

- Finalist, Lehman Brothers Fellowship for Research Excellence in Finance (awarded to top job market papers), 2002
- Dean's Scholarship for Distinguished Merit, The Wharton School, University of Pennsylvania, 1998-2003
- Management Systems Science Graduation Award (Graduate with the highest GPA), Simon Fraser University, 1997
- Highest score, Society of Actuaries world-wide exam, 1996
- Shrum International Scholarship (full scholarship for international student), Simon Fraser University, Canada, 1994-1997
- First Prize, Society of Actuaries world-wide exam, 1996
- Gold medalist, Canadian National College Descartes Mathematics Contest, 1994
- Dr. McConnells' Scholarship (full scholarship for International Baccalaureate), Lester B. Pearson College, 1992-1994
- First Prize, National high-school essay contest, China, 1992
- Taekwondo Black Belt