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Education:

- 2005 Ph.D. in Finance, Stanford Graduate School of Business
Thesis: Essays in Corporate Finance
Committee: Anat Admati, Peter DeMarzo and Jeffrey Zwiebel
- 2000 B.A. in Mathematics and Computer Science, Wellesley College
Summa cum laude. Phi Beta Kappa (junior year)

Experiences:

- 2005 Assistant Professor of Finance, Liautaud Graduate School of Business, University of Illinois at Chicago
Course: Managerial Finance (undergraduate, MBA)
- 2003 Instructor, Graduate School of Business, Stanford University
Course: Doctoral pre-enrollment Statistics course
- 2000-2005 Teaching Assistant, Graduate School of Business, Stanford University
Course: Doctoral Econometrics, MBA Finance, MBA Corporate Finance, MBA Investment
- 2000-2005 Research Assistant, Graduate School of Business, Stanford University

Awards:

- 2006 Letter from the Dean in recognition of teaching excellence
- 2002 Stanford Graduate School of Business -- Jaedicke Merit Scholarship
- 2001 Stanford Graduate School of Business -- Jaedicke Merit Scholarship
- 2000 Wellesley College Trustee Scholar
- 2000 Fanny Bullock Workman Fellowship for Graduate Studies
- 2000 Lewis Atterbury Stimson Prize in Mathematics
- 1999 Schiff Fellowship for Honor Thesis Students
- 1999 Hughes Research Award
- 1998 Fairchild Research Award

Research Interests:

- Corporate Finance
- Contract Theory
- Information Economics
- Experimental Economics

Research In Progress:

“Staged Financing Contracts with Private Information”(accepted at the *Journal of Financial Intermediation*)

This paper studies the use of incentive contracts when some agents in the population are technically constrained from falsifying reports and stealing cash. The Bolton-Scharfstein contract is the optimal truth-telling contract, but it may not be the optimal contract for a large range of parametric values. The optimal contract may induce falsification and stealing in equilibrium and social welfare may be improved. Moreover, screening different types of agents is too costly for the principal ex ante, and thus, the optimal contract is always a pooling contract.

“A Theory of Reputation Acquisition of Stock Analysts” (under review)

I examine the role of reputation in a multi-stage strategic information transmission game between an analyst and an investor. While reputation mitigates the conflict of interest in a repeated game, it may induce the biased analyst to elevate potential underperformers to the highest rating category, thus undermining the information quality of the highest message. Uncertainty about firm value helps the unbiased analyst to communicate better information in a single stage game. However, in a multi-stage game, uncertainty increases misrepresentation behavior of the biased analyst. Empirical implications are discussed.

“Pooling the Good and the Bad – A Re-examination of the Performance of Underwriter Analyst Recommendations”(joint with Somnath Das) (under review)

This study re-examines the performance of analyst recommendations on newly public firms. Using post-recommendation returns of IPO offerings during the period 1993 through 2002, we document that (i) “Strong Buy” recommendations by Lead underwriter analysts exhibit inferior performance relative to those of Non-lead analysts. The differences in post-recommendation returns between Lead and Non-lead underwriters do not persist in any of the other recommendation categories; (ii) the long-term underperformance of underwriter analysts’ recommendations increases with the dispersion between the event-period market reactions to positive and negative recommendations; (iii) the underperformance of Lead-underwriter analysts’ “Strong Buy” recommendations increases with both firm level uncertainty in firm value and aggregate market uncertainty. These results are consistent with the equilibrium outcomes of a dynamic cheap talk game where analysts with conflict of interests are more likely to elevate a subset of the worst stocks to the strongest category when the short-term incentive becomes sufficiently strong.

Salaries and Piece Rates: Evidence from Loan Officer Compensation (joint with Sumit Agarwal)

Whether incentive contracts provide the right incentives to individuals in organization is a central question in modern economic theory. Using a unique dataset on loan officer compensation from a major commercial bank, we compare two compensation systems, one that depends on an input measure and one that is directly related to output. We study the effects of piece rate compensation on solving moral hazard issues, agents’ risk-taking behavior, and bank’s profitability.

“Costly Information Transmission in Continuous Time – with Implications for Credit Rating Announcements”

This paper studies a continuous time information transmission model when a benevolent sender privately observes a state variable that follows a stochastic process. The model predicts that 1) in addition to partitioning the state space into finite intervals, the sender sets an upgrade bound and a downgrade bound; 2) the gap between the upgrade bound and the downgrade bound increases with the switching cost and the volatility of the underlying state variable. Implications for the timeliness of the credit rating agencies’ reports are studied.

“Repeated Cheap-Talk with a Continuum of Senders”

This paper studies repeated strategic information transmission when there are a continuum of senders with different degrees of biases. I show that even if there is no noise in technology, the players' belief updating is not perfect. Partition equilibria arise endogenously in multi-period game when the sender strategically acquires reputation.

“Forward-Looking Satiation and Variety-Seeking Behavior in Consumer Choice” (joint with Song-oh Yoon)

In this paper, we demonstrate a “forward-looking” satiation theory, by conducting experiments with human subjects. Our theory could potentially provide a rational explanation for the “variety-seeking” behavior in simultaneous choices, where researchers demonstrate that people choose more variety as the quantity purchased increases.

Invited Presentations:

UCLA, University of Washington, Santa Clara University, Hong Kong University, The Chinese University of Hong Kong, China International Finance Conference 2006, European Accounting Association Conference 2007, International Symposium on Financial Engineering and Risk Management 2007

References:

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