

**The 2011 Annual  
Meeting of the  
Academy of  
Entrepreneurial  
Finance**

**Program- 2011**

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September 21-23, 2011  
UCLA- Conference Center  
Los Angeles, California, USA

# 2011 Conference Venue:

## Wednesday Program, September 21, 2011

3:00-7:00 PM;

### **Reception, Networking, Conference Package Pick up, and Registration**

**Location:** The Terrace- located on the Top Floor of UCLA's Covell Commons Conference Facilities (also known as Sunset Village Meeting Facilities): <http://map.ais.ucla.edu/go/1001440>

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### **Advances in Entrepreneurial Finance: With Applications from Behavioral Finance & Economics**

Yazdipour, R. 2011. ISBN 978-1-4419-7526-3



*Advances in Entrepreneurial Finance: With Applications from Behavioral Finance* brings together contributions from researchers from the fields of entrepreneurship, behavioral finance, psychology, and neuroscience to shed new light on the dynamics of decision making and risk taking by entrepreneurs and venture capitalists (VCs). Every new venture requires access to capital at competitive interest rates, and much has been written on general entrepreneurship by management scholars and financial contracting by financial economists using traditional finance theory with all its highly restrictive assumptions regarding decision makers' cognitive capabilities and behavior. But recent developments in behavioral finance can now be applied to understand how entrepreneurs and VCs perceive risk and uncertainty and how they decide and act accordingly. Showcasing the latest research, this volume demonstrates that findings from the behavioral and neuroscience arenas can and do explain decision making by entrepreneurs and venture investors in the real world. Consequently, such findings have practical implications not only for entrepreneurs, venture capitalists, and their advisors, but also all government agencies and NGOs that want to support product and technological innovation, capital formation, job creation, and economic development.

**Amazon:** [http://www.amazon.com/Advances-Entrepreneurial-Finance-Applications-Behavioral/dp/1441975268/ref=sr\\_1\\_2?ie=UTF8&qid=1312687873&sr=8-2](http://www.amazon.com/Advances-Entrepreneurial-Finance-Applications-Behavioral/dp/1441975268/ref=sr_1_2?ie=UTF8&qid=1312687873&sr=8-2)

**Springer:** <http://www.springer.com/business+%26+management/entrepreneurship/book/978-1-4419-7526-3>

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# Thursday Program, September 22, 2011

**7:30-8:30**

**Registration & Breakfast**

**The Terrace**

**8:30 to 8:45**

**Welcome, Conference Overview, Conference Logistics**

Avanidhar (Subra) Subrahmanyam, Program Co-Chair

University of California, Los Angeles- UCLA

&

R. (Russell) Yazdipour, Program Co-Chair

Academy of Behavioral Finance & Economics

**Grand Horizon Ballroom**

**General Sessions- All Tracks:**

**Grand Horizon Ballroom**

**8:45 to 9:00**

**“The State of the Research in Behavioral Finance- Contributions of the 2011 ABF Presenters, and Some Suggestions for Future Research”**

Avanidhar (Subra) Subrahmanyam, Program Co-Chair

University of California, Los Angeles- UCLA

**9:00 to 10:15**

**The Financial Crisis, Risk-Taking, and Active Investing**

Session Chairs:

Paola Giuliano

University of California, Los Angeles- UCLA

David Hirshleifer

University of California, Irvine- UCI

**Self-enhancing Transmission Bias and Active Investing**

David Hirshleifer

University of California, Irvine- UCI

**Discussant:** Andrea Eisfeldt, University of California, Los Angeles- UCLA

**Risk Taking and the Financial Crisis**

Luigi Guiso

Ente Einaudi for Economics and Finance, Italy

Paola Sapienza

Northwestern University

Luigi Zingales  
University of Chicago

**Discussant:** Ivo Welch, University of California, Los Angeles- UCLA

**The Psychometric Properties of Economic Risk Preferences**

Jonathan Beauchamp  
Harvard University

David Cesarini  
New York University

Johannesson Magnus Stockholm School of Economics

**Discussant:** Enrichetta Ravina, Columbia University

**Grand Horizon Ballroom**

**10:15-10:30 Refreshment Break**

**The Terrace**

**10:30-to Noon  
Salon E**

**Financing- 1**

**Session Chair:**

J. William Petty  
Baylor University

**Entrepreneurial Finance and Behavioral Finance: A Programming Note**

J. William Petty  
Baylor University

R. (Russell) Yazdipour  
Academy of Behavioral Finance

**Entrepreneurial Litigation and Venture Capital Finance**

Douglas Cumming  
York University

Bruce Haslem  
Florida State University

April Knill  
Florida State University

**Discussant:**

John K. Paglia  
Pepperdine University

Thursday, 9/22/11, Program

**Funding Continuum for Private Business Owners: Evidence from the Pepperdine Private Capital Survey**

Maretno A. Harjoto  
Pepperdine University

John K. Paglia  
Pepperdine University

**Discussant:**

April Knill  
Florida State University

**Multiple Project Financing with Informed Trading**

Salvatore Cantale  
IMD International, Switzerland

**Luncheon, ABF Fellows, and Best  
Doctoral Student Papers Awards at 12:00  
Noon; and Keynote Address at 4:00 PM**

**Noon to 1:30- All Tracks**

**Luncheon and the:**

- **2011 ABF Fellows Program**
- **2011 Awards for the Best Doctoral Student Papers in Behavioral Finance**

James Howard  
University of Maryland University College- UMUC and ABF&E Co-Director

Robert Olsen  
Decision Research

J. William Petty  
Baylor University

**Grand Horizon Ballroom**

**1:30 to 1:45 Short Break**

**The Terrace**

**1:45 to 3:15**

**Salon E**

## **Investment**

### **Session Chair:**

Richard Hunt

University of Colorado – Boulder

### **How Does Uncertainty Resolution Affect Syndication**

Ayca Altintig

Chapman University

Hsin-Hui Chiu

California State University, Northridge

M. Sinan Goktan

California State University, East Bay

### **Discussant:**

Craig R. Everett

Pepperdine University

### **Raising Capital for Rapid Growth in Young Technology Ventures: When Business Angels and Venture Capitalists Coinvest**

Christophe Bonnet

Université Lumière (Lyon 2), France

Peter Wirtz

Université Lumière (Lyon 2), France

### **Discussant:**

Zhenyu Wu

University of Manitoba, Canada

### **Are Hedge Funds Guilty of Manipulative Short-selling? Evidence from the PIPE Market**

Ying Jenny Zhang

Missouri State University

K. Stephen Haggard

Missouri State University

K. Stephen Haggard

Missouri State University

### **Discussant:**

Guido Max Mantovani

University of Venice, Italy

Thursday, 9/22/11, Program

# Keynote Address: **Dr. Vernon Smith** **Nobel Laureate in Economics**

**TOPIC: Adam Smith on Propriety and Human Behavior**

**LOCATION: UCLA's Korn Convocation Hall at UCLA's Anderson School of Management**

## **DETAILS:**

### **3:15 to 3:45**

Group Walk from the location of your 3:15 Session to UCLA's Korn Convocation Hall at UCLA's Anderson School of Management. Conference organizers will be on the sites and will lead the group walk. (Transportation will be provided to those who may have limitations on walking the relatively short distance across the campus.)

Refreshments immediately served right outside the Korn Hall.

### **3:45-4:00**

#### **Pre-Keynote Address Event/Conversation**

Avanidhar (Subra) Subrahmanyam Program Co-Chair  
University of California, Los Angeles- UCLA

### **4:00 to 5:30**

#### **Keynote Address:**

**Dr. Vernon Smith**

**Nobel Laureate in Economics**

**Topic of Address: Adam Smith on Propriety and Human Behavior**

**Location:** UCLA's Korn Convocation Hall at UCLA's Anderson School of Management

# **Friday Program, September 23, 2011**

**7:30-8:30**

**Registration & Breakfast**

**The Terrace**

**8:30 to 8:45**

**Welcome & Friday Logistics**

Avanidhar (Subra) Subrahmanyam, Program Co-Chair

University of California, Los Angeles- UCLA

&

R. (Russell) Yazdipour, Program Co-Chair

Academy of Behavioral Finance

**The Terrace**

**8:45 to 10:15**

**Salon E**

## **Credit and Capital**

### **Session Chair:**

Salvatore Cantale

IMD International, Switzerland

### **Screening Good Borrowers: Evidence From The Small Business Community**

Irene Comeiga

University of Geneva, Switzerland

Esther Del Briob

Universidad de Salamanca, Spain

Matilde O. Fernándezc

Universidad de Valencia, Spain

### **Discussant:**

Caroline Glackin

Shepherd University

### **Relationships and the Availability of Credit to Young Firms**

Arie Melnik

University of Haifa, Israel

### **Discussant:**

Andrea Moro

University of Leicester, U.K.

### **A Preliminary Causal Analysis of Small Business Access to Credit During Economic Expansion and Contraction**

Kimble A. Byrd

Rowan University

Caroline Glackin  
Shepherd University

Linda W. Ross  
Rowan University

**10:15-10:30 Refreshment Break**  
**The Terrace**

**10:30 to Noon- *Two Tracks for this Time Period:***

<b>Time &amp; Room</b>	<b>Track A Salon E</b>	<b>Track B Salons F-G</b>
<p><b>10:30 to Noon</b></p> <p><u>Room TBA</u></p>	<p><b>Financing- 2</b></p> <p><b><u>Session Chair:</u></b> Irene Comeiga University of Geneva, Switzerland</p> <p><b>Beyond Social Prestige: Working out the Minimum Expected Return on Equity for Entrepreneurs</b> Andrea Moro University of Leicester, U.K.</p> <p><b>Competence Value Emersion: A Key to Sound Practices in Entrepreneurial Finance. From “Q” to “T” Ratios in the North-Eastern Italian Experience</b> Guido Max Mantovani University of Venice, Italy</p> <p><b>Mitigating Conflict of Interest Between Owner/Managers and Creditors: Effects of Professionalization on Debt Financing of New Ventures</b> Jess H. Chua University of Calgary, Canada</p> <p>Li Sun, University of Saskatchewan, Canada</p> <p>Zhenyu Wu University of Manitoba, Canada</p>	<p><b>Entrepreneurial Finance &amp; Behavioral Finance</b></p> <p><b><u>Session Chair:</u></b> William P. Neace University of Hartford</p> <p><b>Real Options in the Laboratory: An Experimental Study of Sequential Investment Decisions</b> Simon D. Knaus University of St. Gallen, Switzerland</p> <p><b>How Can Behavioral Finance Contribute to the Development of the Small Business Sector?</b> Przemyslaw Kulawczuk University of Gdansk, Poland</p> <p>Andrzej Poszewiecki University of Gdansk, Poland</p> <p><b>Multiplayer Coordination and Competition in a Vertically Differentiated Market</b> Klaus Burgmeier WHU-Otto Beisheim School of Management, Germany</p>

	<p>Hui Zhu University of Calgary, Canada</p> <p><b>Discussant:</b> Arie Melnik University of Haifa, Israel</p>	
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**Noon to 1:30**  
**Working Lunch**  
**Salon E**

## **Acquisition and Initial Public Offering**

### **Session Chair:**

Jaemin Kim  
San Diego State University

### **Agency Costs of Outside Equity: Evidence from Startup Firms in Their First Two Years**

Craig R. Everett  
Pepperdine University

### **Discussant:**

Jerry T. Parwada  
University of New South Wales, Australia

### **Entrepreneurship Through Acquisition: Financing Revitalization of Existing Business Systems**

Richard Hunt  
University of Colorado – Boulder

### **Discussant:**

Kasper Meisner Nielsen  
Hong Kong University of Science and Technology

### **1:30-1:45 Short Break**

The Terrace

### **1:45-3:15**

**Salon E**

## **Failure, Attributes, and Leadership**

### **Session Chair:**

Hsin-Hui Chiu  
California State University, Northridge

### **Ability or Finances as Constraints to Entrepreneurship? Evidence from Survival Rates in a Natural Experiment**

Steffen Andersen  
Copenhagen Business School, Denmark

Kasper Meisner Nielsen  
Hong Kong University of Science and Technology

### **Discussant:**

Christophe Bonnet  
Université Lumière (Lyon 2), France

**Friday, 9/23/11, Program**

**Learning about the Attributes of Entrepreneurs from the Mutual Fund Industry**

Jieyan Fang  
University of Mannheim, Germany

Jerry T. Parwada  
University of New South Wales, Australia

Stefan Ruenzi  
University of Mannheim, Germany

**Discussant:**

Ying Jenny Zhang  
Missouri State University

**Family Participation: Choosing the Next Generation**

Jaemin Kim  
San Diego State University

Sean Sehyun Yoo  
Belmont University

**3:15-3:30 Refreshment Break**

The Terrace

**3:30-5:00**

**Salon E**

**Session: A Future Research Agenda and Networking**

**5:00 PM**

**AEF-2011 Program Ends**

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# **Advances in Entrepreneurial Finance: With Applications from Behavioral Finance & Economics**

**Yazdipour**, R. 1st Edition., 2011. ISBN 978-1-4419-7526-3



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**Springer:** <http://www.springer.com/business+%26+management/entrepreneurship/book/978-1-4419-7526-3>

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Robert Strom, Ph.D.  
Ewing Marion Kauffman Foundation

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R. Yazdipour, Ph.D.  
California State University and  
The Academy of Entrepreneurial Finance

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Peter Wirtz, Ph.D.  
Université Lumière (Lyon 2), France

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Robert A. Olsen, Ph.D.  
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Lukasz M. Konopka, PhD, ECNS, BCIA-EEG  
Loyola Stritch School of Medicine and  
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R. W. Ackley, Ph.D.  
*The Chicago School of Professional Psychology*

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William P. Neace, Ph.D.  
University of Hartford and  
Research Fellow, Academy of Behavioral Finance

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William Dunkelberg, Ph.D.  
Temple University and  
National Foundation for Independent Businesses- NFIB

Jonathan A. Scott, Ph.D.  
Temple University

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University of Manitoba

Philip Garcia, Ph.D.  
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Hersh Shefrin, Ph.D.

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Santa Clara University

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Richard L. Constand, Ph.D.  
University of West Florida

R. Yazdipour, Ph.D.  
California State University and  
The Academy of Entrepreneurial Finance

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University of Cambridge, U.K.

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Charles Ou, Ph.D.  
U.S. Small Business Administration