

Yelena Larkin

N205G Schulich School of Business, York University, Toronto, ON M3J 1P3, Canada
Office: (416) 736 2100 ext. 70477; E-Mail: YLarkin@schulich.yorku.ca

EDUCATION

- 2006 – 2012 Doctoral Program in Finance, the Johnson School of Management,
Cornell University
- 2002 – 2004 M.A. magna cum laude, integrated MA program in financial economics and
MBA in finance for outstanding students, Hebrew University of Jerusalem,
Israel
- 1999 – 2002 B.A. magna cum laude, Psychology and Economics
Hebrew University of Jerusalem

ACADEMIC POSITIONS HELD

- 2015 – current Assistant Professor of Finance, York University, Schulich School of Business
- 2012 – 2015 Assistant Professor of Finance, Penn State University, Smeal College of
Business
- 2011 – 2012 Lecturer, Penn State University, Smeal College of Business

NON-ACADEMIC EMPLOYMENT

- 2005 – 2006 The World Bank, Pension Investment Department, Hedge Fund Team,
Washington DC, US
Investment Analyst
- 2004 – 2005 Emda Mutual Funds Management, Bank Hamizrahi group, Tel-Aviv, Israel
Investment Analyst
- 2001 – 2004 Bank of Israel, Foreign Exchange Control Department, Research Unit
Research Analyst

TEACHING EXPERIENCE

- 2016 – current Schulich School of Business, York University,
course “Managerial Finance”

2016 – current	Schulich School of Business, York University, course “Topics in Finance II” (PhD course in Corporate Finance)
2012 – 2015	Smeal College of Business, Penn State University, course “Financial Management of the Business Enterprise”
2010	Johnson Graduate School of Management, Cornell University, course “Managerial Finance for non-Johnson students”
2005	Department of Economics, Hebrew University, course “Introduction to Finance”

RESEARCH INTERESTS

Product markets
Financial and investment policy
Investor behavior

PUBLICATIONS

1. Larkin, Y., Leary, M. T., and R. Michaely, “Do Investors Value Smooth Dividends Differently?”, *Management Science*, forthcoming

(Link to the paper: <http://pubsonline.informs.org/doi/abs/10.1287/mnsc.2016.2551>)

Presented at: 2011 Finance Down Under Annual Conference (University of Melbourne), Penn State University, University of Virginia, University of Minnesota, 2012 FIRS Conference, 2013 WFA Meeting

2. Larkin, Y., 2013, “Brand Perception, Cash Flow Stability, and Financial Policy”, *Journal of Financial Economics* 110: 232-253.

(Link to the paper: <http://www.sciencedirect.com/science/article/pii/S0304405X13001608>)

- WFA PhD Candidate award for outstanding research 2012

WORKING PAPERS

1. “*Are U.S. Industries Becoming More Concentrated?*”, joint with Gustavo Grullon (Rice University) and Roni Michaely (Cornell University and IDC), under review, *Journal of Finance*

Over 75% of U.S. industries have registered an increase in concentration levels over the last two decades. Firms in industries with the largest increases in product market concentration have realized higher profit margins, positive abnormal stock returns, and more profitable M&A deals, which suggest that market power is becoming an important source of value. This paper posits two crucial factors behind this trend: one, lax enforcement of antitrust regulations; and two, increasing technological barriers to entry. These findings are robust to the inclusion of private firms, factors that account for foreign competition, as well as the use of alternative measures of concentration. Overall, our findings suggest the nature of U.S. product markets has undergone a structural shift that has weakened competition across a majority of industries.

2. “*Search Frictions and M&A Outcomes: Theory and Evidence*”, joint with Evgeny Lyanders (Boston University and IDC)

This paper performs empirical tests of the search theory of mergers and acquisitions. To derive testable cross-sectional implications, we build a simple search model of mergers. The model identifies three determinants of search frictions that influence merger pairings and complementarity gains in observed mergers: target's obsolescence risk, the likelihood of target's discovery by potential acquirers, and the extent of competitive interaction among potential bidders in output markets. Our empirical results, obtained using product-based and technology-based measures of merger complementarity, are consistent with the model's predictions and support the search theory of mergers.

3. “*Climbing the Corporate Ladder: Whom Do Highly Skilled CEOs Work For?*”, joint with Jason Kotter (Penn State University)

In this paper we examine whether boards that are more aligned with shareholders' interests end up hiring more talented managers. Using a novel measure of managerial talent, we find that talented CEOs work for firms with less independent boards. We explore whether supply or demand-side labor market frictions can explain this result, and find that talented CEOs are paid more, receive a higher percentage of their pay in cash, and are more likely to serve as chair of the board, consistent with supply-side bargaining power frictions. Our evidence suggests that the preferences of highly-skilled managers impact the supply of managerial talent available to firms with independent boards.

4. “*Why Has Investment-Cash Flow Sensitivity Disappeared? An International Explanation*”, joint with Lilian Ng (York University) and Jie Zhu (York University)

Existing studies have documented the disappearance of investment-cash flow sensitivity in the U.S., but are unable to explain this phenomenon. This study explores whether the extent of investment-cash flow sensitivity could be driven by country rather than firm-level characteristics. We find that in aggregate, investment-cash

flow sensitivity has also declined around the world, and that yet there exists a substantial cross-country variation. Specifically, investment-cash flow sensitivity has remained high in countries with low GDP per capita, less credit available, high intensity of capital controls, less financially developed markets, and high cost of capital, but has disappeared in financially developed countries. These results suggest that once a country advances to a certain degree of financial and economic development, it becomes more efficient in allocating resources within the country, and that financial constraints at the individual firm level become less binding. Access to external equity finance is a key channel through which financial development affects the sensitivity of investment to internal cash flow.

5. “*Does Non-Informative Text Affect Investor Behavior*” (joint with Alyssa Anderson (Federal Reserve Board))
Revise and Resubmit, *Financial Management*

This paper demonstrates that easily processed texts affect investor trading behavior even in the absence of any informational content. We examine the trading symbols of US firms and show that stocks with clever tickers (tickers that are actual words in the English language) are more liquid, as measured by higher turnover and trading volume, as well as lower spreads. Furthermore, clever ticker stocks are traded more often by individual investors, and have larger market reactions following earnings announcements. These results suggest that ticker characteristics facilitate trading by improving the firm’s visibility among retail investors through familiarity and memorization.

WORK IN PROGRESS

- “*Capital Governance and Externalities*”, joint with Yaniv Grinstein (Cornell University)
- “*Short Interest and Investment*”, joint with Gustavo Grullon (Cornell University) and Alexei Zhdanov (Penn State University)

MEDIA CITATIONS

Globe and Mail, May 16, 2017, “The Incredible Shrinking Stock Market”

Engineering.com, March 14, 2017 "Are Big Companies Damaging the Economy?"
<http://www.engineering.com/AdvancedManufacturing/ArticleID/14497/VIDEO-Are-Big-Companies-Damaging-the-Economy.aspx>

The Wall Street Journal, March 3, 2017, “The Disturbing New Facts about American Capitalism”

Bloomberg, Nov 14, 2016, “Tech’s Giants Keep Devouring the Competition”

The Economist, Sept 17 2016, “The rise of the superstars”

The Wall Street Journal, January 6, 2016, “Why a Shrinking Stock Market Has Been Good to Investors”

U.S. News and World Report, November 16, 2015, “Why Your New iPhone Costs an Arm and a Leg”

The Marker (daily economic newspaper, Israel), October 23, 2015, “Are U.S. Industries Becoming More Concentrated?” (in Hebrew)

Harvard Law School Forum on Corporate Governance and Financial Regulation, September 2015, “Are U.S. Industries Becoming More Concentrated?”

<http://corpgov.law.harvard.edu/2015/09/16/the-disappearance-of-public-firms/>

PROFESSIONAL SERVICES

Presentations

- 2017 FIRS Annual Academic Conference, EFA Annual meeting, NFA Annual meeting
- 2016 AFA Annual meeting, UBC Winter Finance Conference, FSU SunTrust Beach conference, FIRS Annual Academic Conference, CICF Annual meeting (three presentations), New York World Finance Conference, University of Toronto
- 2015 York University, NFA Annual meeting (two presentations)
- 2014 Penn State University (three presentations), Early Career Women Conference (part of the WFA Annual Meeting)
- 2013 WFA Annual Meeting
- 2012 Penn State University, FIRS Annual Academic Conference
- 2011 WFA Annual Meeting, Caesarea Centre 8th Annual Academic Conference (Israel), Finance Down Under: Building on the Best from the Cellars of Finance Annual Conference (University of Melbourne), Case Western Reserve University, University of Virginia (Darden), University of Missouri, Stockholm School of Economics, Norwegian School of Management (BI), Copenhagen Business School, University of Illinois, Penn State University (two presentations), Southern Methodist University, University of Toronto, Virginia Tech University
- 2010 Cornerstone Group, SUNY-Binghamton University, 7th Annual Conference on Corporate Finance at Washington University in St. Louis, Syracuse University, Cornell University, FMA Annual Meeting
- 2009 Cornell University
- 2008 FMA Annual Meeting, Cornell University

Discussions

- 2017 EFA Annual meeting
- 2016 CICF meeting, NFA Annual meeting, Annual Conference on Financial Economics and Accounting (University of Toronto), Tel Aviv University Finance conference
- 2015 SFS Finance Cavalcade Conference, Fourth ITAM Finance Conference (Mexico)
- 2014 Caesarea Centre 11th Annual Academic Conference (Israel), Jerusalem Finance Conference (Israel)
- 2013 AFA Annual Meeting
- 2012 Caesarea Centre 9th Annual Academic Conference (Israel), 9th Annual Conference on Corporate Finance at Washington University in St. Louis
- 2010 FMA Annual Meeting
- 2009 Caesarea Centre 6th Annual Academic Conference (Israel), MFA Annual Meeting
- 2008 FMA Annual Meeting

Session Chair

- 2016 Caesarea Centre 13th Annual Academic Conference (Israel), New York World Finance Conference
- 2010 FMA Annual Meeting

Paper Selection Committee

- 2017 NFA Annual Meeting
- 2016–2017 MFA Annual Meeting
- 2015–2017 FMA Annual Meeting
- 2013–2017 Caesarea Centre Annual Academic Conference (Israel)
- 2016 Financial Institutions, Regulation and Corporate Governance Conference (Australia)

Referee

Journal of Finance, Review of Financial Studies, Journal of Financial Economics, Management Science, Journal of Financial and Quantitative Analysis, Journal of Banking and Finance, European Journal of Finance, European Financial Management, Journal of Empirical Finance

GRANTS AND AWARDS

- 2017 SSHRC Insight Development Grant (grant amount \$27,108 CAD), Junior Faculty Grant, York University (grant amount \$867 CAD)
- 2016 Junior Faculty Grant, York University (grant amount \$1,163 CAD)
- 2014 Discussant grant, Caesarea Centre 11th Annual Academic Conference, IDC (grant amount \$750 USD)
- 2013 Small Research Grant, Smeal College of Business, Penn State University (grant amount \$2,000 USD)
- 2012 Discussant grant, Caesarea Centre 9th Annual Academic Conference, IDC (grant amount \$750 USD); Small Research Grant, Smeal College of Business, Penn State University (grant amount \$2,000 USD)
- 2011 New Faculty Research Grant, Penn State University (grant amount \$7,500 USD); SAC Capital PhD Candidate Award for Outstanding Research; Travel grant (grant amount \$750 USD), Caesarea Centre 8th Annual Academic Conference, IDC

ADDITIONAL INFORMATION

Citizenship: Israeli and Russian

Canada Permanent Resident

Languages: English (fluent), Russian (native), Hebrew (fluent), Spanish (basic)

Last updated on: Sept 11, 2017