

# POUYAN FOROUGHI

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- CONTACT INFORMATION      Schulich School of Business, N217      *Office: +1 (416) 736 5096 (Ext. 77921)*  
York University      *E-mail: foroughi@yorku.ca*  
Toronto, ON M3J 1P3, Canada
- ACADEMIX EMPLOYMENT      Assistant Professor of Finance      *October 2019 - present*  
Schulich School of Business, York University
- Assistant Professor of Finance      *September 2017 - September 2019*  
University of New South Wales (UNSW) Business School, School of Banking and Finance,
- EDUCATION      Ph.D. in Finance      *2012 - 2017*  
Boston College, Carroll School of Management      Chestnut Hill, MA
- MBA, major Finance      *2009 - 2012*  
Sharif University of Technology, Graduate School of Management and Economics      Tehran, Iran
- B.Sc. in Electrical Engineering      *2004 - 2009*  
Sharif University of Technology, Department of Electrical Engineering      Tehran, Iran
- RESEARCH INTERESTS      Corporate Finance, Corporate Governance, Financial Institutions and Social Networks
- PUBLICATIONS      Investor Protection and the Long-Run Performance of Activism (with Namho Kang, Gideon Ozik, and Ronnie Sadka), 2019, **Journal of Financial and Quantitative Analysis**, 54(1), 61-100
- WORKING PAPERS      • Peer Effects in Corporate Governance Practices: Evidence from Universal Demand Laws (with Alan Marcus, Vinh Nguyen, and Hassan Tehranian), Revise and Resubmit, *Review of Financial Studies*  
– *Midwest Finance Association Outstanding Paper Award, MFA annual meeting, 2019*  
– *Semifinalist for Best Paper Award in Corporate Finance, FMA annual meeting, 2016*  
*Abstract: Firms in the same networks tend to have similar corporate governance practices. However, it is difficult to disentangle peer effects, where governance practices propagate from one firm to another, from selection effects, where firms with similar governance preferences self-select into linked groups. Studying board-interlocked firms, we utilize a novel instrument based on the staggered adoption of universal demand laws across states to identify causal peer effects in firms decisions concerning CEO compensation, CEO duality, and anti-takeover provisions. Our results provide support for the existence of peer effect in the adoption of anti-takeover provisions. We find that the entrenchment index (E-Index) of a firm increases by 0.33 points for every point increase in the E-Index of firms in the same board interlock network. The impact of universal demand laws on the interlocking directors prior experience in passing these provisions is a likely mechanism explaining these effects.*
- Hedge Fund Activists' Network and Information Flow  
Best Paper Award at:  
– *WFA Cubist Systematic Strategies Ph.D. Candidate Award for Outstanding Research, WFA annual meeting, 2017*  
– *Best Paper Award in Honor of Stuart I. Greenbaum, Olin School of Business at Washington University in St. Louis, 2016*  
*Abstract: This paper studies connections and information flows between activist hedge funds and other institutional investors and shows them as prominent factors in the success of activist*

campaigns. Using manager turnovers in connected mutual funds as exogenous shocks to activists connectivity, I identify a positive causal effect of connections with other investors on the short-run and long-run performance of activists campaigns. I also show that the two likely mechanisms through which activists benefit from their relationships with other institutions are information flows between institutional shareholders and well-connected activists before campaign announcements and higher support from other shareholders during the campaign.

- Corporate Pensions and Financial Distress (with Ying Duan, Edith S. Hotchkiss, and Yawen Jiao)

*Abstract:* We examine the role of corporate pension plans in determining how firms restructure in financial distress. Both defined benefit (DB) and defined contribution (DC) plans can have significant exposures to the company's own stock, imposing significant losses on employees if the firm defaults and/or files for bankruptcy. We find that firms with DB plans typically have little exposure to the stock prior to default; the degree of underfunding increases significantly as firms near default, but is not related to restructuring types (bankruptcies versus out of court restructurings). In contrast, large exposures to company stock in DC plans often are not reduced prior to default. High levels of own-company stock ownership are positively related to default and bankruptcy probabilities. Our evidence suggests a link between employee-ownership related managerial entrenchment and default risk.

- Are Hedge Funds More Skilled than Other Institutional Investors? Evidence from Their Use of Insider Trading Information (with Jerry Parwada, Yixuan Rui and Jianfeng Shen)

*Abstract:* This study examines the use of insider trading information by hedge funds. We find that hedge funds tend to trade in the same direction as insiders when insider trading is likely driven by information, but do not respond to likely liquidity-driven insider trades. This finding is consistent with hedge funds being able to decipher insider trading information and trade accordingly. In contrast, mutual funds, pension funds and other institutional investors (mostly banks and insurance companies) are more likely to trade in the opposite direction as insiders, acting as liquidity providers regardless of the trading motives of insiders. Further, there is evidence that a hedge fund's ability to exploit insider trading information helps improve its performance. Our study contributes to the literature on hedge fund skills by showing their ability to exploit insider information and linking such ability to performance.

#### HONORS AND AWARDS

- Midwest Finance Association Outstanding Paper Award, MFA annual meeting, 2019
- WFA Cubist Systematic Strategies Ph.D. Candidate Award for Outstanding Research, WFA annual meeting, 2017
- Best Paper Award in Honor of Stuart I. Greenbaum, Olin School of Business at Washington University in St. Louis, 2016
- Semi-finalist for the Best Paper Award in Corporate Finance, FMA Annual Meeting, 2016
- Doctoral Student Consortium, FMA Annual Meeting, 2016
- Doctoral Student Travel Grant, AFA Annual Meeting, 2016
- Doctoral Fellowship, Boston College, Carroll School of Management, 2012
- Recognized as Exceptional Talent, Iran's National Elites Foundation and Iran's Ministry of Science, Research and, Technology, 2008

#### TEACHING

##### **UNSW Business School, School of Banking and Finance**

- Business Finance (FIN1613), undergraduate level S1, 2018; T2, 2019
- International corporate governance (FINS3626), undergraduate level S1, 2018; T2, 2019
- International corporate governance (FINS5526), graduate level S1, 2018; T2, 2019

##### **Boston College, Carroll School of Management** (as a teaching assistant)

- Corporate Finance, Financial Policy, Corporate Valuation and Restructuring, Basic Finance

CONFERENCE AND  
SEMINAR  
PRESENTATIONS

- 2019: European Finance Association (EFA), Financial Intermediation Research Society (FIRS), Midwest Finance Association (MFA), China International Conference in Finance (CICF), Western Economic Association International (WEAI), York University
- 2018: NFA, Financial Research Network (FIRN), Melbourne Business School, University of Technology Sydney, University of Sydney Business School Financing and Banking Research Group (FRG), UNSW, Finance Down Under (FDU), University of Hong Kong, Australasian Finance & Banking Conference (AFBC)
- 2017: Western Finance Association (WFA), University of New South Wales, Monash University, University of Albany, University of Connecticut, Financial Research Network (FIRN), Australasian Finance & Banking Conference (AFBC)
- 2016: Financial Management Association (FMA), Annual Corporate Finance Conference, China International Conference in Finance (CICF), Boston College, Cornerstone Research, Suffolk University
- 2015: American Finance Association (AFA)
- 2014: European Finance Association (EFA), Hedge Fund Research Conference

PROFESSIONAL  
ACTIVITIES

- Discussant: Sydney Business Financing and Banking Research Group Workshop (2018), Financial Research Network (2017, 2018), Australasian Finance & Banking Conference (2017, 2018)
- Session chair: Australasian Finance & Banking Conference (2018)
- Referee: Review of Financial Studies (RFS), Journal of Financial Economics (JFE), Journal of Banking and Finance, Journal of Empirical Finance
- Membership: Western Finance Association, American Finance Association, European Finance Association, Financial Management Association, Northern Finance Association

MEDIA COVERAGE

- Why activist hedge funds are not just working alone
  - Centre for Management Practice, Singapore Management University (SMU), 31 Aug 2018
  - Business Think, University of New South Wales (UNSW), August 15, 2018