

Curriculum Vitae

Name: Richard John Fairchild

Institution: School of Management, University of Bath, United Kingdom.

Email: mnsrf@bath.ac.uk.

Position: Senior Lecturer in Corporate Finance.

Key Posts:

- Editor-in-chief, International Journal of Behavioural Accounting and Finance.
- Series Editor for “Routledge Advances in Behavioural Economics and Finance” Book Series
- Member of Cass Behavioural Finance Working Group

Research Interests:

- Application of game theoretical tools to strategic corporate finance.
- Capital structure and the effects of agency problems, signalling, and product market competition.
- Venture capitalism, bargaining, and the incorporation of behavioral effects into the double-sided moral hazard problem affecting financial contracts and performance.
- Impact of Legal systems, governance mechanisms, and culture on Corporate Finance Decisions.
- Impact of Legal systems, governance mechanisms, and culture on Venture Capital Contracts and Performance.
- Game-theoretic approaches to environmental issues, at the corporate and global level.
- Behavioural Corporate Finance.
- Emotional Corporate Finance.
- Emotional Game Theory

Refereed Publications.

1. “Financial Risk Management: Is it a value-adding activity?” *Balance Sheet*. Vol 10 No 4, October 2002.
2. “An Investigation of the Determinants of BT’s Debt Levels from 1999-2002: What does it tell us about the Optimal Capital Structure?” *International Business and Economics Research Journal*. June 2003.
3. “Dividend Smoothing and Optimal Re-investment.” *Managerial Finance* Vol 29 No 11. November 2003.
4. “Conflicts between Managers and Investors over the Optimal Financial Contract.” *International Journal of Business and Economics* December 2003 Vol 2 No.3.
5. “Financial Contracting between Managers and Venture Capitalists – The role of Value-added Services, Reputation seeking and Bargaining Power.” *Journal of Financial Research* Winter 2004 volume XXVI Number 4.
6. “Behavioral Finance in a Principal-agent Model of Capital Budgeting.” *The ICFAI Journal of Behavioral Finance* Vol II No. 1. March 2005.
7. “Investor Irrationality and Optimal Open-Market Share Repurchasing.” Co-authored with G. Zhang. *The ICFAI Journal of Behavioral Finance* Vol II No. 3. September 2005.

8. "The Effect of Managerial Overconfidence, Asymmetric Information, and Moral Hazard on Capital Structure Decisions." *The ICFAI Journal of Behavioral Finance* vol II, no 4 . December 2005.
9. "When Do Share Repurchases Increase Shareholder Wealth?" *Journal of Applied Finance* Spring/Summer 2006.
10. "The Effect of the Legal System and Empathy in Venture Capital Contacting: Theory and Evidence," (Co-authored with Dr Yiyuan Mai, Huazhong University of Science and Technology, Hubei, China); E-publication on the *Venture Capital Experts* Website, November 2006 ; See link http://www.bath.ac.uk/management/news_events/news/2006/30-11.html for details.
11. "Investor Protection, Share Repurchases, Irrationality and Agency Conflicts: The Implications for Corporate Governance" Co-authored with G. Zhang: *Corporate Ownership and Control* Volume 4 Issue 1, Fall 2006.
12. "Separation of Control Rights and Cashflow Rights in Emerging Economies: Theory and Mexican Evidence" Co-authored with Alma Garro Paulin: *Corporate Ownership and Control* Volume 5, Issue 1, Fall 2007; see link [http://www.virtusinterpress.com/additional_files/journ_coc/issues/COC_\(Volume_5_Issue_1_Fall_2007\).pdf](http://www.virtusinterpress.com/additional_files/journ_coc/issues/COC_(Volume_5_Issue_1_Fall_2007).pdf)
13. "The Manufacturing Sector's Environmental Motives: A Game-theoretic Analysis"; *Journal of Business Ethics* June 2008.
14. "Debt Maturity Structure of Chinese Companies." (co-authored with Y. Guney and Cai Kailan); *Pacific-Basin Finance Journal* June 2008.
15. "Behavioural Corporate Finance: Existing Research and Future Directions," *Journal of Financial Decision Making* June 2008. (note: this article is also to be reprinted in the *ICFAI Journal of Behavioural Finance* 2008).
16. "Auditor Tenure, Managerial Fraud, and Report Qualification: A Game Theoretic Approach", *ICFAI Journal of Audit Practice* June 2008 (note, this article to be reprinted in the *International Journal of Behavioural Accounting and Finance* Issue 1: Special Issue on Behavioural Corporate Governance).
17. "Capital Structure and Market Power: Evidence From Thai Firms" (co-authored with R. Rathinasamy and S. Lovisuth): *Global Business and Finance Review* 2009
18. "Managerial Overconfidence, Moral Hazard Problems, and Excessive Life-cycle Debt Sensitivity." *Investment Management and Financial Innovations* 2009 (no 2).
19. Book Chapter in "**Environmental Cost Management**": "A Game-theoretic Analysis of Environmental Behaviour at the Corporate and Global Level" (co-authored with Baris Yalabik): Nova Publishers 2009.
20. "Dividend Policy, Signalling and Free Cashflow: An Integrated Approach," *Managerial Finance Autumn* 2010.
21. "From Behavioural to Emotional Corporate Finance: A New Research Direction." Management Online Review (MoRE) website (sponsored by ESCP Europe: European School of Management).

22. "World Class Service" (with Ian Crawford): 2010 Practitioner publication for the Institute of Customer Service.
23. "Fairness Norms and Self-interest in Venture Capital/Entrepreneur Contracting and Performance." Management Online Review (MoRE) website (sponsored by ESCP Europe: European School of Management). June 2010.
24. "The Relationship between Product Market Competition and Capital Structure in Chinese Listed Firms" (with Yilmaz Guney and Li Ling). *International Review of Financial Analysis*: 2011: 20 (1) pp 41-51
25. "Customer, Regulatory, and Competitive Pressure as Drivers of Environmental Innovation." (co-authored with Baris Yalabik): *International Journal of Production Economics*, 2011: 131 (2) pp 519 -527.
26. "An Entrepreneur's Choice of Venture Capitalist or Angel-financing: A Behavioral Game-theoretic Approach," *Journal of Business Venturing* 2011: pp 359-374
27. "Perceived and Actual Risk in Financial Markets: Insights from Emotional Finance." (co-authored with N. Bullman). *Chartered Insurance Institute Thinkpiece Series Number 84*: July 2012.
28. "Does Corporate Governance Affect Managerial Optimism? Evidence from NYSE Panel Data Firms." *International Journal of Euro-Mediterranean Studies*. (co-authored with Ezzeddine, B-M., Baccar, A., and Bouri, A.) November 2012.

Conference Proceedings.

1. "The Effects of Dividends on Firm Value when Dividends signal both current income and future investment." American Academy of Accounting and Finance New Orleans Conference 2002.
2. "Convertible debt, Signalling of Managerial Ability, and Risk-shifting." American Academy of Accounting and Finance New Orleans Conference 2002.
3. "An Investigation of the Determinants of BT's Debt Levels from 1999-2002: What does it tell us about the Optimal Capital Structure?" International Applied Business Research Conference, Acapulco, 2003. Best paper in its session.
4. "The Effect of Managerial Equity Ownership on Investors' bid price for Shares: an Experimental Investigation." International Applied Business Research Conference, Acapulco, 2003.
5. "The Combined Effects of Managerial Ability and Risk-shifting on Debt and Equity Signalling." Online conference proceedings for American Academy of Accounting and Finance New Orleans Conference 2003.
6. "The Combined Effects of Bounded Rationality and Moral Reasoning in Prisoners' dilemma games." Online conference proceedings for American Academy of Accounting and Finance New Orleans Conference 2003.
7. "Behavioral Finance in a Principal-Agent model of Capital Budgeting" Hawaii International Conference on Business 2004 proceedings.
8. "Managerial Overconfidence and Security Signalling." Hawaii International Conference on Business 2004 proceedings.
9. "Patents and Innovation - the Effect of Monopoly Protection, competitive spillovers, and sympathetic collaboration." Academy of International Business Conference (at the School of Management, University of Bath) 2005 Proceedings.
10. "The Effect of Product Differentiation on Strategic Financing Decisions." Hawaii International Conference on Business 2005 proceedings.
11. "The Effect of Managerial Overconfidence on a Firm's Financing Decisions." Hawaii International Conference on Business 2005 proceedings.
12. "Capital Structure and Market Power: Evidence from Thailand Firms." Co-authored with Sasanee Lovisuth and Rathin Rathinasamy: see attached link;

<http://www.cluteinstitute.com/Programs/Venice-2007/Article%20259.pdf>

13. "Fairness Norms and Self-interest in Venture Capital/Entrepreneur Contracting and Performance." Proceedings of the 2010 Annual Meeting of the Academy of Behavioral Economics and Finance, September 15-17, 2010, Chicago, Illinois.

Working Papers.

1. "Convertible Debt and Managerial Signalling." Bristol Economics Discussion Papers December 2000.
2. "Credit Market Competition." Bristol Economics Discussion Papers December 2000.
3. "An Investigation of the Determinants of BT's Debt Levels from 1999-2002: What does it tell us about the Optimal Capital Structure?" Bath School of Management Working Paper Series April 2003 (used as a case study in my MSc Corporate Finance Course).
4. "Management's Optimal Financial Contracts, the Degree of Alignment with Investors, and the 'Carrot and Stick' role of Debt." Bath School of Management Working Paper Series April 2003.
5. "Financial Bargaining between Managers and Venture capitalists." Social Science Research Network (SSRN)- November 2002.
6. "Bargaining, adverse selection, and delayed or immediate bargaining agreements." Social Science Research Network (SSRN)- November 2002.
7. "Fairness and Moral Hazard in Bargaining." Social Science Research Network (SSRN)- November 2002.
8. "Do Players use Forward or Backward Induction in Prisoners' Dilemma Games?" Social Science Research Network (SSRN)- November 2002.
9. "Potential Product Market Competition, Financial Structure, and Actual Competitive Intensity." Social Science Research Network (SSRN)- April 2004.
10. "The effect of Product Differentiation on Strategic Financing Decisions." Bath School of Management Working Paper Series 2004.
11. "Investor Irrationality and Optimal Open-Market Share Repurchasing." (co-authored with G. Zhang). Bath School of Management Working Paper Series December 2004.
12. "Strategic Financing Decisions in a Spatial Model of Product Market Competition." (Co-authored with Sasanee Lovisuth). Bath School of Management Working Paper Series March 2005.
13. "Persuasive Advertising and Welfare in a Hotelling Market." Bath School of Management Working Paper Series May 2005.
14. "The Effect of Managerial Overconfidence, Asymmetric Information, and Moral Hazard on Capital Structure Decisions." Posted to SSRN database 29/04/05.
http://papers.ssrn.com/sol3/papers.cfm?abstract_id=711845.
15. "Overconfidence, Fairness, and Team Performance." Posted to SSRN database 9th August 2005.
http://papers.ssrn.com/sol3/papers.cfm?abstract_id=771524
16. "Managerial Overconfidence, Moral Hazard, and Financing and Investment Decisions." Bath School of Management Working Paper Series November 2005.
17. "Product Differentiation, Myopia and Collusion over Strategic Financing Decisions." (co-authored with Sasanee Lovisuth). Bath School of Management Working Paper Series December 2005.
18. "Repurchase and Dividend Catering, Managerial Myopia, and Long-run Value-destruction." (co-authored with Ganggang Zhang) Bath School of Management Working Paper Series December 2005.
19. "Does Auditor Retention Increase Managerial Fraud? The Effects of Auditor Ability and Auditor Empathy." Bath School of Management Working Paper Series January 2006.
20. "Patents and Innovation; the Effect of Monopoly Protection, Competitive Spillovers and Sympathetic Collaboration." Bath School of Management Working Paper Series January 2006.
21. "The Strength of the Legal System, Empathetic Cooperation, and the Optimality of Strong or Weak Venture Capital Contracts." (co-authored with Yiyuan Mai, Visiting Scholar from

- Huazhong University of Science and Technology, Wuhan, Hubei, China). Bath School of Management Working Paper Series, Forthcoming March 2006.
22. "The Effects of Self-interest and Fairness on Entrepreneur/Venture Capitalist Financial Contracting and Performance." Posted to SSRN Database January 16th 2006.
http://papers.ssrn.com/sol3/papers.cfm?abstract_id=875833
 23. "Self-interest and Fairness in Entrepreneur/Venture Capitalist Contracting: a Game-theoretic Approach." Mimeo (Refinement of Working Paper at 22.)
 24. "Audit Tenure, Report Qualification, and Fraud." Bath School of Management Working Paper Series, January 2007.
 25. "Managerial Overconfidence, Agency Problems, Financing Decisions and Firm Performance." Bath School of Management Working Paper Series, June 2007. This paper introduces the concept of "*Excessive Life-cycle Debt Sensitivity Due to Managerial Overconfidence*."
 26. "Behavioural Corporate Finance: Existing Research and Future Directions," Posted to SSRN database; September 2007 (paper published in Journal of Financial Decision Making, June 2008, and ICAI Journal of Behavioural Finance 2008; also a forthcoming book chapter in a book on Behavioural Finance).
 27. "How do Multi-player Beauty Contest Games affect the Level of Reasoning in Subsequent Two Player Games?" Bath School of Management Working Paper Series November 2007.
 28. "A Game-theoretic Analysis of Environmental Behaviour at the Corporate and Global Level." Co-authored with Baris Yalabik. SSRN database: December 2008.
 29. "Auditor Tenure, Managerial Fraud, and Report Qualification: Theory and Evidence." (with Ian Crawford and Hassan Saqlain): SSRN Database June 2009.
 30. "Incentive Problems and Reciprocal Behaviour in Venture Capital/Entrepreneur Dyads: The Effect of Inequity-aversion, Trust, and Social Norms." Bath School of Management Working Paper Series August 2009.
 31. "From Behavioural to Emotional Corporate Finance: A New Research Direction." SSRN Working paper, September 2009.
 32. "Fairness Norms and Self-interest in Venture Capital/Entrepreneur Contracting and Performance." SSRN Working Paper April 2010.
 33. "Reciprocity in Teams." SSRN Working Paper, October 2010.
 34. "Revisiting the Incentive Contracts of Hedge Funds: A Game-theoretic Perspective with Managerial Ownership, Effort and Ability." (Co-authored with Karan Puri) March 2011.
 35. "Emotional Games": SSRN working paper: March 2012.

Conferences Attended (with conference presentations):

December 2001: EAP conference, Paris.

December 2002: American Academy of Accounting and Finance, New Orleans.

March 2003: International Applied Business Research conference: Acapulco.

December 2003: Virtual Presentation at American Academy of Accounting and Finance, New Orleans.

June 2004: Hawaii International Conference on Business.

April 2005: Academy of International Business: School of Management, University of Bath.

May 2005 Hawaii International Conference on Business.

April 2006: "Behavioral Finance: Theory and Experimental Evidence" conference; University of Siena, Italy.

May 2006: Hawaii International Conference on Business.

July 2006: Financial reporting Conference: Cardiff Business School, Cardiff University.

September 2006: CRI conference on regulation: School of Management, University of Bath.

June 2007: Financial reporting Conference: Cardiff Business School, Cardiff University, UK.

September 2007: Presentation at SAFE (Seminars in Accounting and Finance) conference, "Managerial Overconfidence and Life-cycle financing." London, UK.

April 2008: Presentation at SAFE (Seminars in Accounting and Finance) conference: "Fairness in Venture capital contracting." London, UK.

July 2008: FBRC Conference at Cardiff Business School.
July 2008: ACREF Conference on Experimental Finance.
July 2009: FBRC Conference at Cardiff Business School.
December 2009: BFWG conference at Cass Business School, London (I presented my work on Emotional Corporate Finance).
April 2010: BAA Conference in Cardiff.
April 2010: EBEN environmental conference in London.
July 2010: BFWG Conference at Cass Business School, London (I am co-organiser).
September 2010: Academy of Behavioral Finance and Economics Annual Meeting: Chicago, Illinois, USA.

December 2010: "Behavioural Finance 2010" Technical Analyst Conference, London.

December 2010: Computational and Financial Econometrics Conference, Queen Mary University of London: Behavioural Finance Session.

April 2011: Behavioural Finance Conference, Cass Business School, London.

September 2011: SWAG (South-Western Accounting Group) conference at University of Exeter.

May 2012: Auditing special Interest Group (ASIG) of the British Accounting and Finance association (BAFA): 22nd Audit and Assurance Conference, Savoy Place, London (sponsored by ICAS) : "Corporate Fraud, Auditor Turnover, and Managerial Entrapment."

May 2012: *Money Marketing Retirement Planning Summit (Practitioners' conference)*, Turnberry, Scotland: Invited Presentation on the relationship between behavioural finance and pensions.

June 2012: Money Marketing Investment Alliance (Practitioners' conference): Invited presentation on Behavioural Psychology, Emotional Finance, and Investor Behaviour.

June 2012: BFWG conference at Cass Business School, London: "Development Banks and Private Equity."

September 2012: British Academy of Management (BAM): Cardiff University: "Airbus-Boeing Dispute.

December 2012: Decision Sciences Conference, University of Bristol, UK: "Emotional Game Theory". *Forthcoming*.

January 2013: BAFA Conference on Accounting and Finance in Emerging Economies: Forthcoming presentation on Development Banks and Private Equity in Emerging Economies.

Conference Organised:

October, 2012: Behavioural Finance Workshop (sponsored by School of Management, University of Bath): Hilton Hotel, Bath.

Other Conferences attended:

June 2004: Corporate Governance Conference: London Business School.
June 2004: Aston Centre for Research in Experimental Finance (ACREF): *Symposium on Experimental Finance and Microstructure*.
June 2005: *Behavioral Finance Conference*: School of Psychology ESRC seminar series, University of Bath.
November 2007: Finance, Innovation and Inequality Conference; Regents College, London.
August 2012: Westminster briefing: Simple Financial Products.

Miscellaneous:

June 2007: European Applied Business Research Conference: Venice, Italy: Paper Presented by Co-author, Rathin Rathinasamy; see attached link;

<http://www.cluteinstitute.com/Programs/Venice-2007/index.htm>

See “proceedings” above for the paper.

May 2009 Financial Management Association Asian Conference: (Forthcoming conference presentation): “An empirical examination of corporate dividend policy changes: evidence from an emerging market” co-authored with Yilmaz Guney and Yordying Thanatawee: presented by Yilmaz Guney.