Think only coastal states bear the costs related to rising seas? Research by Ishita Sen and colleagues shows how homeowners everywhere pay for climate change, regardless of location.  
   
 Open for comment; 1 Comment posted.

Companies are under pressure to share more data about employee salaries, but research by Zoe Cullen reveals how pay transparency doesn't always help workers.  
   
 Open for comment; 4 Comments posted.

Hasty liquidations cost creditors billions of dollars a year, research by Samuel Antill finds. What if more bankrupt companies were restructured—and revived—instead?  
   
 Open for comment; 2 Comments posted.

Analysis by Ethan Rouen and colleagues reveals the true factors behind leaders' choices during the pandemic's painful early months, when survival was at stake for many businesses.  
   
 Open for comment; 4 Comments posted.

COVID-19 has devastated the cruise industry, but one company may emerge stronger: Carnival. A case study by Stuart Gilson reveals how the cruising juggernaut is navigating the pandemic.  
   
 Open for comment; 0 Comments posted.

Marcus by Goldman Sachs marked a dramatic shift for the 150-year-old financial institution, which historically had served only businesses and the wealthiest people. The fintech startup operated within Goldman Sachs, offering unsecured personal loans for the mass market, high-yield deposits, and a credit card in partnership with Apple. Harvard Business School associate professor Rory McDonald discusses the challenges of launching and operating a startup within an established company in his case, “Marcus by Goldman Sachs.”  
   
 Open for comment; 0 Comments posted.

To a cash-strapped founder, any funding seems like a win, but research by Rory McDonald and colleagues shows that much more is at stake when it comes to venture capital.  
   
 Open for comment; 1 Comment posted.

Economies with less liquid foreign exchange derivative markets offer firms fewer options to hedge their currency risk. Given the limitations of natural hedging, these firms are more exposed to systemic risk.

Lauren Cohen tackles questions about bitcoin, podcasts, and weightlifting on Working Knowledge’s “Office Hours” series.  
   
 Open for comment; 0 Comments posted.

The financial crisis of 2008 renewed economists’ interest in financial fragility, specifically understanding its origins. This paper shows how market participants’ expectations can be part of standard macroeconomic models and significantly improve their explanatory power.

Company performance evaluations have included sell-side analyst forecasts, recommendations, and credit ratings, but a newer set has emerged: environmental, social, and governance (ESG) ratings. This study finds that ESG ratings are useful for predicting future ESG news, but their predictive ability diminishes for firms with large disagreement between raters.

Low-income customers turn to payday lenders and check cashers for basic financial needs when traditional banks push them out of the system through high overdraft fees and other penalties. Reducing overdraft fees improves consumers’ overall financial health and access to cheaper credit.

Letting credit card customers pay back specific purchases encourages borrowers to go beyond the minimum, says research by Michael Norton and colleagues.  
   
 Open for comment; 3 Comments posted.

Many consumers fail to pay off credit card debt each month and suffer financial consequences. Repayment-by-purchase, allocating payment toward specific purchases on a credit card bill, helps consumers gain a sense of progress and control over credit card debt.

Shareholder-driven “short-termism,” as evidenced by increasing payouts to shareholders, is said to impede long-term investment in EU public firms. But a deep dive into the data reveals a different story.

Despite the economic uncertainty, most venture capitalists expect their investments to outperform major equity indexes and are still funding new endeavors, says Paul Gompers.  
   
 Open for comment; 0 Comments posted.

A framework and method for measuring and monetizing product impact across industries, applying it to two competitors in the consumer finance space.

Down economic cycles and increasing unemployment usually usher in a rise in bankruptcies. Not so in the COVID-19 recession, where just the reverse has happened. Research by Raymond Kluender and colleagues.  
   
 Open for comment; 6 Comments posted.

This survey of more than 1,000 venture capitalists finds that the VC industry and its portfolio companies have reduced their activity less than in previous recessions and have been more resilient than many other sectors of the global economy.

Private equity investors are seeking new investments despite the pandemic. This study shows they are prioritizing revenue growth for value creation, giving larger equity stakes to management teams, and targeting somewhat lower returns.