

Donghyun Kang

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Last Updated: September 2023

EDUCATION

- **Copenhagen Business School** Denmark
Ph.D. in Finance 2019–2024 (*Expected*)
- **Hong Kong University of Science and Technology** Hong Kong
Visiting Ph.D. student 2022
- **Tilburg University** The Netherlands
Research Master in Finance 2019
- **University of Amsterdam** The Netherlands
M.Sc. in Finance, *Cum Laude* 2017
- **Yonsei University** South Korea
Bachelor of Business Administration 2016

RESEARCH INTERESTS

- Corporate finance
- Bankruptcy
- Corporate governance
- Machine learning and text analysis

WORKING PAPERS

1. **“Bankruptcy and Serial Entrepreneurship” (job market paper)**
Changes in personal bankruptcy law aim to promote serial entrepreneurship by increasing wealth protection in bankruptcy. However, evidence on whether reducing the cost of entrepreneurial failure provides a second chance to failed entrepreneurs is scant. I evaluate the policy changes by exploiting windfall wealth from inheritances to generate exogenous variation in personal wealth after bankruptcy. I find that although failed entrepreneurs increase business ownership after receiving an inheritance, this positive effect is offset if they have experienced severe failure in prior businesses. Moreover, those who respond to windfall wealth earn less, indicating their lower entrepreneurial quality. While I find support for the premise of the policy changes, the results suggest that personal experience of failed entrepreneurs may limit their effectiveness.
2. **“Biased Judges? Judge Characteristics and Bankruptcy Outcomes”**
Award: *Best Dissertation Award at Conference on Asia-Pacific Financial Markets (2022)*
Exploiting random assignment of judges to corporate bankruptcy filings, I examine the effect of judge characteristics on outcomes. First, I find that cases assigned to judges who grew up during the Great Depression are more likely to emerge from bankruptcy, whereas those assigned to judges with economics training and conservative political ideology are less likely to. Second, I show that case duration is shorter (longer) when the potential case outcome is consistent (inconsistent) with judges’ preferences. Third, the judge characteristics do not correlate with post-emergence outcomes. Overall, the findings suggest that the effect of judge characteristics may be concentrated in marginal cases where the economic benefits of liquidation versus emergence are not significantly different.

WORK IN PROGRESS

1. “**Bankruptcy Quarantines**” with Kasper Meisner Nielsen

This study examines the introduction of bankruptcy quarantines in Denmark. Quarantines disqualify managers of limited liability companies for up to 3 years if the bankruptcy court finds them guilty in gross negligent business practices. We find evidence consistent with quarantines discouraging future business activity and negligence: After the expiry of the bankruptcy quarantines, quarantined individuals are 15% less likely to be managers or owners. Quarantined individuals are also less likely to be involved in future bankruptcies or future criminal activities. Strawmen appointments seem to be the main negative side effect of quarantines: During the quarantine, the fraction of families that are active in management increases from 10% to 30%. Strawmen appointments change the managerial labor pool, resulting in an increasing fraction of CEOs that are foreign residents or receive social transfers. Overall, our findings provide the first systematic evidence on the consequences of bankruptcy quarantines.

CONFERENCE PRESENTATIONS AND SEMINARS

2023 Stockholm School of Economics (accounting)*, Copenhagen Business School, FMA Annual Meeting in Chicago (Doctoral Student Consortium)[†], Australasian Finance and Banking Conference (online)[†], MFA Annual Meeting in Chicago, PhD Nordic Finance Workshop in Levi

2022 Hong Kong University of Science and Technology, Financial Markets and Corporate Governance Conference PhD Symposium (online), AsianFA Annual Conference in Hong Kong (online), Finance Forum in Santiago de Compostela, FMA European Conference in Lyon, Annual Conference of the European Association of Law and Economics in Lisbon, FMA Annual Meeting in Atlanta (Main & Doctoral Student Consortium & Special PhD Paper Presentation), Conference on Asia-Pacific Financial Markets in Seoul

2020–2021 Copenhagen Business School

([†] denotes presentations scheduled; * denotes presentation by coauthor)

DISCUSSANT

2023 MFA Annual Meeting in Chicago, Nova SBE Final Countdown

2022 AsianFA Annual Conference in Hong Kong (online), Finance Forum in Santiago de Compostela, FMA European Conference in Lyon, FMA Annual Meeting in Atlanta

TEACHING EXPERIENCE

- Teaching Assistant, Corporate Finance, 2020–2021, 2023

AWARDS, SCHOLARSHIPS, AND HONORS

- AFA Travel Grant; EFA Travel Grant, 2023
- Shinhan Bank & KAFA Scholarship for Ph.D. Students, 2022
- Augustinus Fonden; Otto Mønstedts Fond; William Demant Fonden, 2021
- Koopmans Scholarship, Tilburg University, 2017–2019
- Top 9 Finalist in New Economic Talent Competition for the Thesis from University of Amsterdam, 2018
- Orange Tulip Scholarship and the Holland Scholarship, University of Amsterdam, 2016
- Dean’s List, University of Scranton (on exchange), Spring & Fall 2013
- Scholarship Honors, Yonsei University, Spring 2012

PERSONAL

- Programming skills: Python, Stata, \LaTeX
- Passed Level I of the CFA Program, 2013
- Military service: Republic of Korea Air Force, Seongnam, Korea, 2009–2011
- Exchange program to University of Scranton (Scranton, PA), 2013
- Languages: English (fluent), Korean (native), French (basic)