

# Donghyun Kang

Department of Finance, Copenhagen Business School ◊ Frederiksberg, Denmark

E-mail: [dhk.fi@cbs.dk](mailto:dhk.fi@cbs.dk) — Mobile: +45 9391 0824

Website: <https://donghyunkang.com/>

Last Updated: November 2023

## EDUCATION

---

### Copenhagen Business School

Ph.D. in Finance

Denmark

2019–2024 (*Expected*)

### Hong Kong University of Science and Technology

Visiting Ph.D. student

Hong Kong

2022

### Tilburg University

Research Master in Finance

The Netherlands

2019

### University of Amsterdam

M.Sc. in Finance, *Cum Laude*

The Netherlands

2017

### Yonsei University

Bachelor of Business Administration

– Exchange Program at University of Scranton (Scranton, US)

South Korea

2016

## RESEARCH INTERESTS

---

Corporate Finance, Bankruptcy and Financial Distress, Machine Learning and Text Analysis

## WORKING PAPERS

---

### 1. “Wealth Protection in Bankruptcy and Serial Entrepreneurship” (job market paper)

**Award:** *Financial News & KAFA Doctoral Student Dissertation Award*

I study whether wealth protection in personal bankruptcy provides a second chance to failed entrepreneurs. I exploit windfall wealth from inheritances to proxy for exogenous variation in personal wealth after bankruptcy. Windfall wealth increases reentry to business *only* among entrepreneurs who did not experience severe losses in personal income or wealth before bankruptcy. Those who respond to windfall wealth by starting new businesses have lower profits, indicating their lower entrepreneurial quality. Overall, the findings suggest that bankruptcy policies increasing wealth protection can promote serial entrepreneurship, but their effectiveness is limited by low entrepreneurial quality and personal experience of severe losses.

### 2. “Biased Judges? Judge Characteristics and Bankruptcy Outcomes”

**Award:** *Best Dissertation Award at Conference on Asia-Pacific Financial Markets*

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 bankrupt limited liability companies for up to 3 years if the bankruptcy court finds them guilty of 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 managers 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, MFA Annual Meeting, FMA Annual Meeting (Doctoral Student Consortium), Australasian Finance and Banking Conference<sup>†</sup>, Young Scholars Nordic Finance Workshop<sup>†</sup>, PhD Nordic Finance Workshop

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

2020–2021 Copenhagen Business School

(<sup>†</sup> denotes presentations scheduled; \* denotes presentation by coauthor)

## DISCUSSANT

---

2023 MFA Annual Meeting, Nova SBE Final Countdown, Australasian Finance and Banking Conference<sup>†</sup>

2022 AsianFA Annual Conference, Finance Forum, FMA European Conference, FMA Annual Meeting

## TEACHING EXPERIENCE

---

- Teaching Assistant, Corporate Finance, 2020–2021, 2023 (latest teaching evaluation: 4.5/5.0)

## AWARDS, SCHOLARSHIPS, AND HONORS

---

- Financial News & KAFA Doctoral Student Dissertation Award; Shinhan Bank & KAFA Scholarship for Ph.D. Students; AFA Travel Grant; EFA Travel Grant, 2023
- Best Dissertation Award at Conference on Asia-Pacific Financial Markets; Shinhan Bank & KAFA Scholarship for Ph.D. Students, 2022
- Augustinus Fonden; Otto Mønsteds 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, L<sup>A</sup>T<sub>E</sub>X
- Passed Level I of the CFA Program, 2013
- Military service: Republic of Korea Air Force, Seongnam, Korea, 2009–2011
- Languages: English (fluent), Korean (native), French (basic)

## REFERENCES

---

### **Kasper Meisner Nielsen**

Professor of Finance  
Department of Finance  
Copenhagen Business School  
✉ [kmn.fi@cbs.dk](mailto:kmn.fi@cbs.dk)

### **Charlotte Ostergaard**

Professor of Finance  
Department of Finance  
Copenhagen Business School  
✉ [co.fi@cbs.dk](mailto:co.fi@cbs.dk)

### **Kristian Miltersen**

Professor of Finance  
Department of Finance  
Copenhagen Business School  
✉ [krm.fi@cbs.dk](mailto:krm.fi@cbs.dk)