

Dipesh Bhattarai

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EDUCATION

Ph.D. in Finance, University of Tennessee
M.B.A, Mississippi State University
B.B.A in Banking and Finance, Pokhara University

Expected: May 2024
May 2018
December 2016

RESEARCH INTEREST

Corporate Governance, Shareholder Activism, Board of Directors, Machine Learning, Natural Language Processing

WORKING PAPERS

When Does Shareholder Communication Matter? Evidence from Proxy Exempt Solicitations

with Brian Blank, Kathryn M. Schumann, Tingting Liu, & Tracie Woidtke

This study uses a novel dataset to analyze proxy exempt solicitations (ES) as a means of shareholder communication outside formal proxy rules. The results indicate that ES can effectively reveal widespread views and are accessed by investors and investment banks at high rates. The market reacts positively to ES filings, and they are associated with improved terms for management-proposed M&A, as well as increased takeover activity, forced CEO turnover, and "no confidence" votes. Overall, these results indicate that exempt solicitations can enhance shareholder communication through increased attention and improved voting when shareholder exit and proxy contests are not viable options.

- 2023: Weinberg Center & ECGI Corporate Governance Symposium* - *Best Paper Finalist*, The Financial Intermediation Research Society (FIRS)*
- 2022: Financial Management Association (FMA), SEC Brownbag Seminar*, Neel Corporate Governance Seminar*, Mississippi State University*

Unveiling the Role of Director-Specific Quality in Creating Firm Value

with Matthew Serfling & Tracie Woidtke

We create a new measure of director-specific quality (DSQ) that captures the collection of value-relevant transferable attributes unique to a director. DSQ explains 10% of the variation in firm value. Directors with higher DSQ receive greater voter support, and investors respond more (less) favorably when they are appointed (die). Boards with higher DSQ make value-increasing M&A deals, tie CEO compensation closely to performance, innovate more, and manage cash better. During the COVID-19 pandemic, they also experienced relatively higher stock returns. Our results suggest that directors have unique value-relevant attributes, and who firms hire matters.

- 2023: Eastern Finance Association (EFA), Drexel Corporate Governance Conference
- 2022: Financial Management Association (FMA), Southern Finance Association (SFA), Financial Markets and Corporate Governance Conference (FMCg), Neel Corporate Governance Seminar, Washington State University*, Kent State University*, University of Kansas*

The Rich and the Powerful: The Affect of Director Wealth on Corporate Governance and Firm Value

I investigate the effects of director wealth on firm value. I find that the appointment of wealthy independent directors, defined as a director with more than \$5 million net worth, leads to an increase in shareholder wealth. Moreover, when wealthy independent directors pass away, there is a drop in shareholder wealth. Using the supply of affluent local directors as an instrumental variable, I find that firms with a higher proportion of wealthy independent directors tend to have higher Tobin's Q. Firms with a higher proportion of wealthy independent directors tend to align executive incentives with performance more effectively, produce higher quality innovation, and manage cash better. Overall, I find that a director's wealth can provide them with insulation from managerial influence, enabling them to more effectively fulfill their roles as monitors and advisers, ultimately resulting in increased shareholder value.

- 2023: Financial Management Association Doctoral Consortium (scheduled)

*Presentation by co-author

MEDIA MENTIONS

[Do Individual Directors Matter?](#), *Columbia Law School Blue Sky Blog*, November 17, 2022.

OTHER CONFERENCE PARTICIPATION

Discussant

- 2022: Financial Management Association Annual Meeting, Southern Financial Association Annual Meeting, Financial Market and Corporate Governance Annual Meeting
- 2023: Eastern Finance Association (EFA)

Session Chair

- 2022: Southern Financial Association Annual Meeting
- 2023: Eastern Finance Association (EFA)

TEACHING EXPERIENCE

Instructor

- International Finance (IB 449 Section 1), Spring 2022 (Eval: 4.8/5.0)
- International Finance (IB 449 Section 1), Spring 2023 (Eval: 4.7/5.0)

Teaching Assistant

- Financial Management: Theory and Practice (FINC 455), Fall 2023
- Advanced Financial Management (FINC 457-555), Fall 2022
- International Finance (IB 449), Fall 2021

SKILLS & PROJECTS

Programming Language Skills

Python ●●●●● || SAS ●●●●●●● || Stata ●●●●●●● || R ●●●●●●● || Excel VBA ●●●●●●●

Projects

- ChatSEC: Developed a program that utilizes advanced Large Language Models (LLMs) to provide answers to any question regarding a company's filings made to the Securities Exchange Commission.
- CEO-PAY-RATIO: Designed a program using GPT models (OpenAI), BERT (Huggingface), and WRDS to retrieve pay ratio disclosures.
- SECGPT: Created SECGPT, an open source Large Language Model for the financial domain, by finetuning Falcon-7B with SEC filings for text completion and question answering task. (Available in Huggingface's model hub)
- Crypto Attention Tracker: Created a python script that analyzes Google Trends data to identify popular crypto currencies.
- Google Scholar Scraper: Constructed a program capable of extracting various data elements from Google Scholar, including title, authors, year, journal, and citations, for a given keyword.
- Engineered a python script that employs image processing techniques to extract tabular data from PDF or image files.