

## **UDAY RAJAN**

David B. Hermelin Professor of Business Administration and Professor of Finance  
Stephen M. Ross School of Business, University of Michigan, Ann Arbor, MI 48109-1234  
E-mail: [urajan@umich.edu](mailto:urajan@umich.edu); Tel: 734-764-2310

July 2019

### **Education**

Ph.D. Economics, Stanford University, Stanford, CA; 1995.

MSIA, GSIA (Tepper School), Carnegie Mellon University, Pittsburgh, PA; 1986.

BA (Honours) Economics, St. Stephen's College, University of Delhi, Delhi, India; 1984.

### **Employment**

Stephen M. Ross School of Business, University of Michigan, Ann Arbor.

David B. Hermelin Professor of Business Administration, 2017–present.

Professor of Finance, 2014–present.

Jack D. Sparks–Whirlpool Corporation Research Professor of  
Business Administration, 2015–17.

Associate Professor of Finance, 2004–2014.

GSIA (Tepper School), Carnegie Mellon University, Pittsburgh.

Associate Professor of Economics and Finance, 2001–2004.

Assistant Professor of Economics and Finance, 1995–2001.

Drexel Burnham Lambert, New York.

Vice President, Fixed Income Research, 1988–1990.

Associate, Fixed Income Research, 1986–1988.

### **Short-term Visits**

Chinese University of Hong Kong, Hong Kong, Feb 2018.

IAE Toulouse, France, May 2011.

Ente Luigi Einaudi, Rome, Italy, Jul 2006.

## Honors and Awards

GSAM Quant Prize for best paper in the *Review of Finance*, 2005, for “Rationing in IPOs,” with C. Parlour.

Nominated for Smith–Breedon Prize for best paper not in corporate finance in the *Journal of Finance*, 2005, for “Equilibrium in a Dynamic Limit Order Market,” with R. Goettler and C. Parlour.

NYSE Award for best paper on equity trading, Western Finance Association Meetings, 2004, for “Equilibrium in a Dynamic Limit Order Market,” with R. Goettler and C. Parlour.

Distinguished Service Award, *Management Science*; 2013, 2014, 2015, 2016.

Outstanding Referee Award, *Journal of Financial Intermediation*, 2011.

Ross School Contribution to the Research Environment (CORE) Award, 2018.

## Teaching Awards

PhD Student Award for Teaching Excellence, Ross School of Business, University of Michigan, 2012.

MBA Student Award for Teaching Excellence, Ross School of Business, University of Michigan, 2007.

George Leland Bach Award for “Excellence in the Classroom,” GSIA (Tepper School), Carnegie Mellon University, 2003.

## Student Awards

Centennial Teaching Assistant award, Stanford University, 1995.

Elliot Dunlap Smith Award for Excellence, GSIA, Carnegie Mellon University, 1986 (awarded by faculty to outstanding graduating student).

## Research

### Grants

National Science Foundation, \$1 million for “Detecting Financial Market Manipulation: An Integrated Data and Model Driven Approach,” 2017–20, PIs M. Wellman, U. Rajan, M. Barr, and T. Balch.

Future of Life Institute, \$200,000 for “Understanding and Mitigating AI Threats to the Financial System,” 2015–18, PIs M. Wellman and U. Rajan.

Published and Forthcoming Papers

- Parlour, C. and U. Rajan (2019), “[Contracting on Credit Ratings: Adding Value to Public Information](#),” forthcoming, *Review of Financial Studies*.
- Debo, L., U. Rajan, and S. Veeraraghavan (2018), “[Signaling Quality via Long Lines and Uninformative Prices](#),” forthcoming, *Manufacturing & Service Operations Management*.
- Purnanandam, A. and U. Rajan (2018), “[Growth Option Exercise and Capital Structure](#),” *Review of Finance* 22(1): 177–206.
- Wellman, M. and U. Rajan (2017), “[Ethical Issues for Autonomous Trading Agents](#),” *Minds and Machines* 27(4): 609–624.
- Golan, L., C. Parlour, and U. Rajan (2015), “[Competition, Managerial Slack, and Corporate Governance](#),” *Review of Corporate Finance Studies* 4(1): 43–68.
- Rajan, U., A. Seru and V. Vig (2015), “[The Failure of Models that Predict Failure: Distance, Incentives and Defaults](#),” *Journal of Financial Economics* 115(2): 237–260.
- Cohn, J. and U. Rajan (2013), “[Optimal Corporate Governance in the Presence of an Activist Investor](#),” *Review of Financial Studies* 26(4): 985–1020.
- Attar, A., E. Campioni, G. Piaser, and U. Rajan (2012), “[Competing Mechanism Games of Moral Hazard: Communication and Robustness](#),” *Review of Economic Design* 16(4): 283–296.
- Debo, L., C. Parlour, and U. Rajan (2012), “[Signaling Quality via Queues](#),” *Management Science* 58(5): 876–891. (Stochastic Models area)
- Rajan, U., A. Seru and V. Vig (2010), “[Statistical Default Models and Incentives](#),” *American Economic Review Papers and Proceedings* 100(2): 506–510.
- Attar, A., E. Campioni, G. Piaser, and U. Rajan (2010), “[On Multiple Principal, Multiple Agent Models of Moral Hazard](#),” *Games and Economic Behavior* 68(1): 376–380.
- Krishna, A. and U. Rajan (2009), “[Cause Marketing: Spillover Effects of Cause-Related Products in a Product Portfolio](#),” *Management Science* 55(9): 1469–1485. (Marketing area)
- Goettler, R., C. Parlour, and U. Rajan (2009), “[Informed Traders and Limit Order Markets](#),” *Journal of Financial Economics* 93(1): 67–87.
- Ghose, A., T. Mukhopadhyay and U. Rajan (2007), “[The Impact of Internet Referral Services on a Supply Chain](#),” *Information Systems Research* 18(3): 300–319.
- Parlour, C., V. Prasnikaar and U. Rajan (2007), “[Compensating for the Winner’s Curse: Experimental Evidence](#),” *Games and Economic Behavior* 60(2): 339–356.

- Chawla, S., J. Hartline, U. Rajan, and R. Ravi (2006), “[Bayesian Optimal No-Deficit Mechanism Design](#),” *Workshop on Internet and Network Economics*, Lecture Notes in Computer Science 4286: 136–148.
- Chawla, S., U. Rajan, R. Ravi and A. Sinha (2006), “[Min-Max Payoffs in a Two-Player Location Game](#),” *Operations Research Letters* 34(5): 499–507.
- Goettler, R., C. Parlour and U. Rajan (2005), “[Equilibrium in a Dynamic Limit Order Market](#),” *Journal of Finance* 60(5): 2149–2192. (Lead article)
- Choudhary, V., A. Ghose, T. Mukhopadhyay and U. Rajan (2005), “[Personalized Pricing and Quality Differentiation](#),” *Management Science* 51(7): 1120–1130. (Marketing area)
- Parlour, C. and U. Rajan (2005), “[Rationing in IPOs](#),” *Review of Finance* 9(1): 33–63.
- Telang, R., U. Rajan and T. Mukhopadhyay (2004), “[The Market Structure for Internet Search Engines](#),” *Journal of Management Information Systems* 21(2): 137–160.
- Li, C., S. Chawla, U. Rajan and K. Sycara (2004), “[Mechanism Design for Coalition Formation and Cost Sharing in Group-Buying Markets](#),” *Electronic Commerce Research and Applications* 3(4): 341–354.
- Parlour, C. and U. Rajan (2003), “[Payment for Order Flow](#),” *Journal of Financial Economics* 68(3): 379–411.
- Parlour, C. and U. Rajan (2001), “[Competition in Loan Contracts](#),” *American Economic Review* 91(5): 1311–1328.
- Arya, A., J. Glover and U. Rajan (2000), “[Implementation in Principal-Agent Models of Adverse Selection](#),” *Journal of Economic Theory* 93(1): 87–109.
- Rajan, U. (1998), “[Trembles in the Bayesian Foundations of Solution Concepts of Games](#),” *Journal of Economic Theory* 82(1): 248–266.

#### Working Papers

- Lee, S. and U. Rajan, “[Robust Security Design](#),” Dec 2018.
- Cohn, J., U. Rajan, and G. Strobl, “[Credit Ratings: Strategic Issuer Disclosure and Optimal Screening](#),” Jul 2018.
- Hu, A., C. Parlour, and U. Rajan “[Cryptocurrencies: Stylized Facts on a New Investible Instrument](#),” May 2018.
- Parlour, C., U. Rajan, and J. Walden, “[Making Money: Commercial Banks, Liquidity Transformation, and the Payment System](#),” Dec 2017.
- Berrospeide, J., A. Purnanandam, and U. Rajan, “[Corporate Hedging, Investment and Value](#),” Aug 2011.

## Articles in Books

- C. Parlour and U. Rajan (2010), “Adverse Selection,” in Rama Cont (ed.) *Encyclopedia of Quantitative Finance*, Wiley Publishers.
- L. Miller, P. Shimpi and U. Rajan (1989), “Realized Return Optimization,” in F. Fabozzi (ed.) *Institutional Investor Focus on Investment Management*, Probus Publishing Company.
- L. Miller, P. Shimpi and U. Rajan (1989), “Liability Funding Strategies,” in F. Fabozzi (ed.) *Portfolio and Investment Management*, Probus Publishing Company.

## **Teaching and Education** Courses Taught

*Ph.D.*: Asymmetric Information, Corporate Finance, Game Theory, Microeconomics.

*Short Ph.D. Courses/Lectures*:

- Lecture on “Ambiguity Aversion,” FTG Summer School, 2019.
- Lecture on “Some Theoretical Models of Credit Ratings,” Chinese University of Hong Kong, 2018; University of Adelaide, 2018.
- FIRN Masterclass (Australia) on “Informational Economics Applications in Corporate Finance,” 2017.
- Lecture on “Nonexclusive Contracting,” FTG Summer School, 2017.
- Lectures on “Securitization and the Subprime Crisis,” IAE Toulouse, 2011.

*MBA*: Finance Core, Valuation, Financial Modeling, **Social Venture Fund**, Derivative Instruments, Advanced Fixed Income Securities, Futures and Exotic Options, Managerial Economics.

*MS Computational Finance*: Bonds, Bonds and Equities, Advanced Fixed Income Securities, Futures and Exotic Options.

*BBA*: Derivative Securities, Investments.

Average Instructor Rating: (Michigan) 82.5%; (Carnegie Mellon) 4.5/5.

(Ross uses the summary teaching measure PA8, the percentage of students who rate the instructor as 4 or 5 on a scale of 5).

Selected PhD Student Thesis Committees

Student, Field, First placement (by year/expected year of graduation)

*University of Michigan:*

- 2020 Alexandr Moskalev, Economics.  
Xintong Wang, Computer Science and Engineering.
- 2019 R. Jay Kahn, Finance, Office of Financial Research, US Treasury.  
Yifei Wang, Finance, Cornerstone Research.  
Zach Yan, Finance (co-chair), Cornerstone Research.
- 2018 Rahul Chhabra (chair), Finance, Charles River Associates.  
Erik Brinkman, Computer Science and Engineering, Facebook.
- 2016 Elaine Wah, Computer Science and Engineering, IEX.
- 2015 Ihsan Saracgil (co-chair), Economics, Cornerstone Research.  
Kuncheng Zheng, Finance, Northeastern University.
- 2014 Taylor Begley, Finance, London Business School.  
Jason Kotter, Finance, Pennsylvania State University.
- 2013 Seokwoo Lee (chair), Finance, George Mason University.  
Maciej Szeffler, Finance, Securities and Exchange Commission.
- 2012 Jongsang Park, Economics, Korea Institute of Finance, Seoul.  
Noah Smith, Economics, Stony Brook University.
- 2011 Xiaoyang Li, Business Economics, Cheung Kong GSB, Beijing, China.  
Jan Sokolowsky, Economics, RFS Post-Doc.  
Min Zhu, Finance, World Bank.
- 2010 Rahul Mukherjee, Economics, Graduate Institute, Geneva.  
Nicholas Powers, Business Economics, The Brattle Group.  
Nathan Wilson, Business Economics, Federal Trade Commission.
- 2009 Deniz Anginer, Finance, World Bank.  
Hein Bogaard, Business Economics, George Washington University.  
Shanshan Hu, Operations Management, Indiana University.  
Jooyong Jun (co-chair), Economics, Korea Information Society Development  
Institute, Seoul.
- 2008 Jonathan Cohn, Finance, University of Texas at Austin.  
Noah Stoffman, Finance, Indiana University.  
Mandy Tham, Finance, NTU Singapore.  
Kyoung-Soo Yoon (co-chair), Economics, Korea Development Institute, Seoul.
- 2007 Jose Berrospide, Economics, Federal Reserve Board.  
Amit Seru, Finance, University of Chicago.

*Carnegie Mellon University:*

- 2006 Armen Hovsepian (co-chair), Finance, Citigroup.
- 2004 Anindya Ghose, Information Systems, New York University.  
Dmitri Perekhodtsev, Economics, Charles River Associates.
- 2002 Aydoğan Altı, Financial Economics, University of Texas at Austin.  
Rahul Telang, Information Systems, Carnegie Mellon University (Heinz School).
- 2001 Jacob Oded, Finance, Boston University.
- 2000 Tolga Akcura, Marketing, Purdue University.
- 1999 Vivek Ramachandran, Economics, Maracon & Associates.

*University of Pittsburgh:*

- 2007 Lizhi Wang, Industrial Engineering, Iowa State University.
- 2006 Claudio Ruibal, Industrial Engineering, Universidad de Montevideo, Uruguay.

*External Examiner, London School of Economics:*

- 2014 John C.F. Kuong, Finance, INSEAD.

Independent studies

Various students over the years (cryptocurrencies, project-related investments, alternative assets, dynamic pricing, development economics, strategy).

Undergraduate Students: Honors Theses

5 students in Economics and Finance over 1996–2004.

## **Professional Activities**

Professional Societies:

**Finance Theory Group**

- President, 2015–2016.
- Board member, 2011–13 (first board of the organization), 2014–16.
- Treasurer, 2011–2017.
- Summer school: Organizing committee member, 2015, 2017, 2019;  
Presenter 2017, 2019.

**Western Finance Association**

- Director, 2019–2022.

Journals and Reviewing:

Editorial Positions

- Editor, *Review of Corporate Finance Studies*, 2015–2021.
- Associate Editor, *Journal of Finance*, 2013–present.
- Associate Editor, *Management Science* (Finance area), 2013–16.
- Editorial Review Board, *Marketing Science*, 2007.

### Refereeing

American Economic Review, American Economic Journal: Microeconomics, Economic Inquiry, Econometrica, Games and Economic Behavior, The Financial Review, Finance Research Letters, Foundations and Trends in Finance, Hong Kong Research Grants Council, Information Systems Research, International Economic Review, International Journal of Game Theory, Journal of Economics and Business, Journal of Development Economics, Journal of Economic Dynamics and Control, Journal of Economic and Management Strategy, Journal of Economic Theory, Journal of Finance, Journal of Financial and Quantitative Analysis, Journal of Financial Economics, Journal of Financial Intermediation, Journal of Financial Markets, Journal of Political Economy, Management Science, Marketing Science, Mathematical Finance, National Science Foundation, Quantitative Finance, Rand Journal of Economics, Review of Corporate Finance Studies, Review of Economic Design, Review of Economic Studies, Review of Finance, Review of Financial Studies, Review of Marketing Science, Theoretical Economics.

### Conferences:

#### Program Committees:

RCFS/RAPS Winter Conference 2018–20, Co-organizer; European Finance Association Meeting, 2010–19 (Track Chair: 2013, Financial Intermediation Theory; 2018, Market Microstructure); Western Finance Association Meeting, 2010–19, 1999–2002; Financial Intermediation Research Society Conference, 2014–19; Eagle Labs/Rothschild Caesarea Center Annual Academic Conference, 2010–19; SFS Cavalcade, 2013–19, 2011; SFS Asia-Pacific Cavalcade, 2017–2018; Northern Finance Association 2018-19; Finance Down Under Conference 2012–19; Texas Finance Festival 2019; Washington University Corporate Finance Conference 2018-19; Cambridge Corporate Finance Theory Symposium, 2017-18; CAF Summer Research Conference, ISB Hyderabad, 2014–19; Conference on Corporate Finance and Financial Intermediation, 2019; CSES-RCFS Conference, 2019; Texas Forum for Corporate Finance, 2018; FIRN Annual Conference, 2018–19; European Banking Center Network Conference, 2016–17; Midwest Finance Association 2012; Finance Theory Group Meeting, Fall 2010, Co-organizer; Mitsui Symposium, 2015, 2006–07; Financial Management Association, 2009–13; ALADDIN Auctions Conference, Carnegie Mellon University, 2003; Mitsui-Life Conference on Accounting and Finance, 2000.

#### Session Organization:

European Finance Association Meeting 2018, 2013, 2011.  
Financial Intermediation Research Society Conference 2019, 2015-16, 2011.  
SFS Cavalcade 2014, 2011.  
Western Finance Association Meeting 2014.  
Financial Management Association Meeting 2012–13, 2009–10.

#### Conference Presentations

European Finance Association Meeting 2018, 2015, 2011, 2009, 2008; Financial Intermediation Research Society Conference 2017, 2015, 2011 (2), 2008; Western Finance Association Meeting 2015, 2009, 2008, 2006, 2004; Cambridge Corporate Finance Theory Symposium 2019; Future of Financial Information, Stockholm, 2019; Rothschild Caesarea



Center Annual Academic Conference, 2012, 2009; North American Econometric Society Summer or Winter Meeting 2019, 2001–03, 1996–98; FIRN Corporate Finance Conference 2018 (panel); Minnesota Corporate Finance Conference 2016; Credit Ratings Conference 2015, 2014; Finance Down Under 2013; UBC Summer Finance Conference 2011; Oakland University Credit Risk Conference 2011 (keynote speech); Financial Intermediation Conference, Freiburg 2010; CSEF-Igier Conference on Institutions and Economics 2010; Society for Advancement of Economic Theory conference, 2009 (2); NBER Microstructure Meeting 2006; INFORMS, 2006; Utah Winter Finance Conference 2005; Midwest Mathematical Economics Conference 2006, 2002–03, 1997; European Econometric Society Meetings 2003; Canadian Economic Theory Conference 2002; World Congress of the Econometric Society 2000; Mitsui-Life Conference on Accounting and Finance 2000.

#### Discussions:

American Finance Association Meeting 2019, 2018, 2016, 2012; Western Finance Association Meeting 2019, 2012, 2011 (2), 2008, 2006, 2000, 1996; European Finance Association Meeting 2014 (2), 2011, 2009 (2), 2008; UBC Winter Finance Conference 2017; NYU/Penn Conference on Law and Finance 2017; SFS Cavalcade 2017, 2014; ESSFM Gerzensee 2016; Credit Ratings Conference 2016; Washington University Corporate Finance Conference 2016, 2009; Rothschild Caesarea Center Annual Academic Conference 2015; Northeastern Finance Conference 2019; University of Washington conference 2014; FIRN Corporate Finance Conference 2018; EFA Doctoral Consortium 2014, 2012, 2011; Institutional Investor Conference at Georgia State 2013; Miami Behavioral Finance Conference 2012; Michigan Econ-Finance Day 2012, 2011; Financial Intermediation Research Society Conference 2011 (2), 2008; Duke/UNC Conference 2011; Texas Finance Festival 2011; UBC Summer Finance Conference 2010; Workshop on Financial Market Quality 2010; NBER Microstructure Meeting 2008 (2); Mitsui Symposium 2007, 2006; Wharton Corporate Bankruptcy Conference 2005; North American Econometric Society Summer Meeting 2001, 1999, 1998, 1996; Mitsui-Life Conference on Accounting and Finance 2000.

#### Seminars at Other Institutions (including scheduled):

IDC Israel, INSEAD, Miami, Tel Aviv (2020); Carnegie Mellon, Maryland, Tulane, UvA Amsterdam, UNC, VGSF Vienna (2019); American University, Australian National University, Chinese University of Hong Kong, Federal Reserve Board (2), Hawaii, Rochester, Washington University in St. Louis (2018); Arizona, Erasmus, Indiana, Universidad Carlos III de Madrid, Melbourne, Tilburg (2017); Colorado, George Mason, NOVA Lisbon (2016); UvA Amsterdam, Boston College, Frankfurt, Georgia Tech, Lund, UNC, NYU Stern, Penn State, UC Irvine (2015); Bilkent, CKGSB Beijing, Georgia State, LBS, LSE, Oxford, Virginia (2014); Boston University, IDC Israel, Indiana, Tel Aviv, U.C. Davis (2013); Texas (2012); DePaul, Toulouse, York (2011); Federal Reserve Board, FRB Philadelphia, McGill, Paris-Dauphine, Stockholm School of Economics, UBC (2010); Chicago Booth, Toronto, Wharton (2009); Carnegie Mellon (2009); CIDE (Mexico), Houston, LBS, LSE, Michigan State, Naples/Salerno, Utah, Virginia, Western Ontario (2008); HKUST, National University of Singapore, Singapore Management University, Notre Dame (2007); Carnegie Mellon (2006); Columbia, Tulane (2005); Houston, Michigan (2004); Ohio State, North Carolina, Pittsburgh (2003); UCLA, Penn State (2002); Illinois (Urbana–Champaign), Washington University in

St. Louis, Minnesota, Wharton (2001); NYU (1999); Notre Dame (1998); Carnegie Mellon, Northwestern, Ohio State, Wisconsin (1995).

### **School Service/Committees**

#### Michigan:

*University level:* Rackham Dispute Resolution Board, 2009-11.

*School level:* Executive Committee, 2015–17; Chair, Finance Area, 2013–19; Chair, Doctoral Studies Committee, 2008–11.

*Finance area level:* Recruiting Chair 2012–13; PhD Coordinator, 2008–11; PhD Committee, 2011–13, 2006–08, 2004-05; Junior Recruiting Committee, 2016-17, 2013-14, 2005–09; Seminar series 2005-06; Social Committee 2010–12.

#### Carnegie Mellon:

*School level:* Dean Search Committee, 2001.

*Area level:* Economics Recruiting Committee, 1999–2003, 1996-97; Economics seminar series 2000–01.