

## Robert Parrino

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McCombs School of Business  
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### Education

PhD, 1992, University of Rochester, Finance  
MS, 1991, University of Rochester, Applied Economics  
MBA, 1980, The College of William and Mary, Finance  
BS, 1978, Lehigh University, Chemical Engineering

### Professional Academic Appointments

The University of Texas at Austin, McCombs School of Business, 1992-present  
Lamar Savings Centennial Professor of Finance, 2007-present  
Director, Hicks, Muse, Tate & Furst Center for Private Equity Finance, 2000-06, 2009-20  
Chair, Department of Finance, 2014-19  
Bank of America Centennial Fellow, 2003-07  
NationsBank of Texas Fellow, 2000-03  
Bureau of Business Research Fellow, 2001-03  
University of Chicago, Graduate School of Business, 1996-97  
Visiting Assistant Professor of Finance  
University of Rochester, William E. Simon Graduate School of Business, 1991  
Lecturer

### Publications and Research

#### Published and Forthcoming Articles:

- Huson, M., Hertz M, and Parrino R. "Public Market Staging: The Timing of Capital Infusions in Newly Public Firms." *Journal of Financial Economics* Vol. 106 (2012), 72-90.
- Gillan, S. L., Hartzell, J. C., and Parrino R. "Explicit vs. Implicit Contracts: Evidence from CEO Employment Agreements." *Journal of Finance* Vol. 64 (2009), 1629-1655.
- Borokhovich, K., Brunarski, K., Harman, Y., and Parrino R. "Variation in the Monitoring Incentives of Outside Blockholders." *Journal of Law and Economics* 49 (2006), 651-680.
- Ju, N., Poteshman, A., Parrino, R., and Weisbach, M. "Horses and Rabbits? Trade-Off Theory and Optimal Capital Structure." *Journal of Financial and Quantitative Analysis* Vol. 40 (2005), 259-281.
- Poteshman, A., Parrino, R., and Weisbach M. "Measuring Investment Distortions when Risk-Averse Managers Decide Whether to Undertake Risky Projects." *Financial Management* Vol. 34 (Spring 2005), 21-60.
- Huson M., Malatesta, P., and Parrino, R. "Managerial Succession and Firm Performance." *Journal of Financial Economics* Vol. 74 (2004), 237-275.
- Parrino, R., Sias, R., and Starks, L. "Voting With Their Feet: Institutional Ownership Changes Around Forced CEO Turnover." *Journal of Financial Economics* Vol. 68 (2003), 3-46. (lead article)

Awarded second place Fama/DFA prize for the best paper on Capital Markets and Asset Pricing published in the *Journal of Financial Economics* in 2003.

Abstracted in *The CFA Digest*, November 2003.

Hadlock, C., Lee, S., and Parrino, R. "CEO Careers in Regulated Environments: Evidence for Gas and Electric Utilities." *Journal of Law and Economics*, Vol. 45 (2002), 535-563.

Huson, M., Parrino, R., and Starks, L. "Internal Monitoring Mechanisms and CEO Turnover: A Long Term Perspective." *Journal of Finance*, Vol. 56 (2001), 2265-2297.

Parrino, R. and Weisbach, M. "Measuring Investment Distortions Arising from Stockholder-Bondholder Conflicts." *Journal of Financial Economics*, Vol. 53 (1999), 3-42. (lead article)

Awarded second place Jensen prize for the best paper on Corporate Finance and Organizations published in the *Journal of Financial Economics* in 1999.

Byrd, J., Parrino, R., and Pritsch, G. "Stockholder-Manager Conflicts and Firm Value." *Financial Analysts Journal*, Vol. 54 (May/June 1998), 14-30. (lead article)

Parrino, R. "CEO Turnover and Outside Succession: A Cross-Sectional Analysis." *Journal of Financial Economics*, Vol. 46 (1997), 165-197.

Borokhovich, K., Brunarski, K., and Parrino R. "CEO Contracting and Antitakeover Amendments." *Journal of Finance*, Vol. 52 (1997), 1495-1517.

Parrino, R. "Spin-offs and Wealth Transfers: The Marriott Case." *Journal of Financial Economics*, Vol. 43 (1997), 241-274.

Borokhovich, K., Parrino, R., and Trapani, T. "Outside Directors and CEO Selection." *Journal of Financial and Quantitative Analysis*, Vol. 31 (1996), 337-355.

Awarded third prize in 1996 LENS Corporate Governance Paper Competition.

Abstracted in *Contemporary Finance Digest*, 1997.

Martin, J. and Parrino, R. "Director Responsibility and Consulting Relationships." *Directors and Boards*, Vol. 20 (Summer 1996), 32-35. (cover article)

Vandell, R. and Parrino, R. "A Purposeful Stride Down Wall Street." *The Journal of Portfolio Management*, Vol. 12 (1986), 31-39.

### **Working Papers:**

"When Are Rule 10b5-1 Plans Used for Insider Stock Sales?," August 2020 (with E. Fich and A. Tran).

"Uncertainty, Prospectus Content, and the pricing of Initial Public Offerings," August 2020 (with N. Crain and R. Srinivasan).

"Timing Stock Sales for Personal Gain: Private Information and Sales of Shares by CEOs," May 2018 (with E. Fich and A. Tran).

"Target CEO Career Incentives and Takeover Bids" July 2015 (with Thomas Bates and Qingqing Wu)

"Agency Costs of Equity, Firm Value, and the Level of Investment," July 2014 (with I. Chakraborty).

"A Strategic Leadership Perspective on the Appointment of CEOs with Marketing Backgrounds at Firms with Differentiation Emphasis," July 2013 (with A. Canella and R. Srinivasan).

"The New Market for Private Investments in Public Equity," August 2012 (with M. Huson and P. Malatesta).

**Books:**

- R. Parrino, T.W. Bates, S.L. Gillan, and D.S. Kidwell, *Fundamentals of Corporate Finance*, John Wiley & Sons, Inc, 4<sup>th</sup> ed. 2018.
- R. Parrino, D.S. Kidwell, and T.W. Bates, *Fundamentals of Corporate Finance*, John Wiley & Sons, Inc, 1<sup>st</sup> ed, 2009, 2<sup>nd</sup> ed, 2012, 3<sup>rd</sup> ed. 2015.
- R. Parrino, D.S. Kidwell, and T.W. Bates, *Essentials of Corporate Finance*, 1<sup>st</sup> ed, John Wiley & Sons, Inc, 2014.
- Kidwell, D. S. and R. Parrino, *Fundamentals of Corporate Finance (Preliminary Edition)*, New York, NY, John Wiley & Sons, Inc, 2007.

**Chapters and Cases in Books:**

- "The 2017 Tax Cuts and Jobs Act: Implications for Cash Flow to Investors, the Cost of Capital, and Capital Structure." (with T.W. Bates and S.L. Gillan). Appendix to *Fundamentals of Corporate Finance*, 4<sup>th</sup> ed., R. Parrino, T.W. Bates, S.L. Gillan, and D.S. Kidwell, John Wiley & Sons, Inc, 2019.
- "The Effects of Management Turnover on Firm Performance." (with M. Huson). Chapter 17 in *Corporate Governance*, H Kent Baker and Ronald Anderson (editors), John Wiley & Sons, Inc., 2010.
- "Conrad Kain (A)", "Conrad Kain (B)", "J.P. Stevens & Company", and "To Swap or Not to Swap" cases published in Berry, M. and S. D. Young, *Investments: A Case Approach*, Dryden Press, 1989.

**Other Publications:**

- "Choosing the Right Valuation Approach." In *Analyzing, Researching, and Valuing Equity Investments*, Proceedings of the CFA Institute Conference on Equity Research and Valuation Techniques, CFA Institute, 2005.
- Republished in "Valuation Techniques: Discounted Cash Flow, Earnings Quality, Measures of Value Added, and Real Options", CFA Institute in 2013.
- "Rewrapping the Package: Managerial Incentives and Corporate Governance." Monograph published by Bureau of Business Research, University of Texas, 2002.

**Teaching and Student Advising Activities****Courses Taught in Degree Programs at University of Texas:**

- Corporate finance courses ranging from introductory financial management through advanced electives in undergraduate, masters, and Ph.D. programs
- Faculty advisor to Venture Fellows Program, 2001-06, 2012-13
- Venture Fellows Program Advisory Board 2001-present

**Ph.D. Thesis Committee Memberships:**

- Venkata R. Subramaniam, Ph.D. 1994; Peruvemba K. Satish, Ph.D. 1994; William T. Charleton, Jr., Ph.D. 1994; Mark M. McNabb, Ph.D. 1996; Jay C. Hartzell, Ph.D. 1998; Kemal Saatcioglu, Ph.D. 2002; Akin Sayrak, Ph.D. 1999; Murat M. Binay, Ph.D. 2001; Sergey D. Tsyplakov, Ph.D. 2001; Lawrence Wendell Licon (chair), Ph.D. 2003; Shilpa M. Chandra (co-chair), Ph.D. 2002; Zekiye A. Selvili, Ph.D. 2002; Michael L. McDonald, Ph.D. 2003; Carlos A. Molina, Ph.D. 2002; Vipin K. Agrawal, Ph.D. 2003; Lorenzo A. Preve, Ph.D. 2004; Ayla Kayhan, Ph.D. 2004; Margaret L. Weber; Ph.D. 2004; Steven R. Boivie, Ph.D. 2006; Libo Sun, Ph.D. 2006; Jie Lian, Ph.D. 2010; Alan Crane, Ph.D. 2010; Jeremy K. Page, Ph.D. 2011; and Nicholas G. Crain, Ph.D. 2013 (co-chair); Mark Jansen, Ph.D. 2016 (co-chair); Jacelly Cespedes, Ph.D. 2018.

## Awards and Honors

### Research:

- Awarded the 2013-14 Career Award for Outstanding Research Contributions at the McCombs School of Business (also nominated for this award in 2010-11 and 2012-13).
- Awarded the 2006-07 McCombs School of Business Award for Research Excellence (also nominated for this award each previous year since 2002).
- Awarded second place Fama/DFA prize for the best paper on Capital Markets and Asset Pricing published in the *Journal of Financial Economics* in 2003 for "Voting With Their Feet: Institutional Ownership Changes Around Forced CEO Turnover," (with R. Sias and L. Starks).
- Awarded second place Jensen prize for the best paper on Corporate Finance and Organizations published in the *Journal of Financial Economics* in 1999 for "Measuring Investment Distortions Arising from Stockholder-Bondholder Conflicts," (with M. Weisbach).
- Awarded 1998 FMA Annual Meeting Competitive Paper Award in Business Finance for "Internal Monitoring Mechanisms and CEO Turnover: A Long Term Perspective," (with M. Huson and L. Starks).
- Awarded third prize in 1996 LENS Corporate Governance Paper Competition for "Outside Directors and CEO Selection," (with K. Borokhovich and T. Trapani). This was an international competition with over 100 entries from around the world.
- Nominated by the Department of Finance for the 1995-96 and 1997-98 CBA Foundation Research Excellence Awards for Assistant Professors.
- Awarded a University Faculty Development Program Summer Research Assignment in 1997.
- Awarded Merit-based Summer Research Award by the McCombs School, 1998-present.

### Teaching:

- Faculty Honor Roll/MBA Applause. Awarded by MBA students for excellence in teaching during Fall 2000, Fall 2002, Fall 2003, Spring 2004, Fall 2004, Spring 2005, Fall 2005, Fall 2006, Fall 2007, Spring 2008 (Dallas), Fall 2008, Spring 2009 (Dallas), and Fall 2010.
- Nominated for the 2008-09 and 2010-11 Excellence in Education Award by Department of Finance (McCombs School of Business award).
- Nominated for Academy of Distinguished Teachers by McCombs School of Business (university-wide award). (February 2004)
- Awarded the 2001-02 CBA Foundation Advisory Council Award for Teaching Innovation. (May 2002)
- Awarded the Fawn and Vijay Mahajan Teaching Excellence Award for excellence in teaching in non-degree executive education programs conducted from 1999 to 2000. (May 2001)
- Awarded "The Outstanding Professor" Award in the Texas Executive MBA Program by the class of 2000 (awarded by the graduating class to the outstanding teacher during their two year program). (Dec. 2000)
- Awarded the 1998-99 Joe D. Beasley Award for Excellence in Teaching (awarded for teaching in MBA core classes). (May 1999)
- Awarded the 1996-97 Jack G. Taylor Teaching Excellence Award (also nominated for the 1995-96 award by the Department of Finance). (May 1997)
- Awarded the 1996 Texas Excellence Teaching Award by the University of Texas Ex-Students' Association. (April 1996)

Awarded the 1994-95 Trammell/CBA Foundation Teaching Award for Assistant Professors (also nominated for the 1993-94 award by the Department of Finance). (May 1995)

Awarded a Teaching Excellence Award for an elective course by MBA student body in the Fall of 1994. (Dec. 1994)

Nominated by Department of Finance for 1998-99 university award for Outstanding Graduate Teaching at the Masters Level.

Nominated by former undergraduate students for the 1996-97 Friar Centennial Teaching Fellowship (university-wide award).

Awarded a 1998 summer grant by the Dean of the Graduate School of Business and College of Business Administration in recognition of teaching excellence.

### Professional and Public Service Activities

Financial Management Association International

President Elect, effective October 2020

Immediate Past Vice President–Program, 2019-20

Vice President–Program, 2018-19

Vice President–Program Elect, 2017-18

Academic Director, 2011-13

Member of Board Nominating Committee and *Journal of Applied Finance* Editor Search Committee, 2012

Vice President–Financial Education, 2008-10

President's Visiting Committee, University of Alberta (Edmonton, AB, Canada), 2014-18

Scientific Panel, Center for Corporate and Investor Responsibility, Sim Kee Boon Institute of Financial Economics, Singapore Management University, 2009-15

Advisory Board of Visitors, Mary Baldwin College (Staunton, VA), 2002-06

Associate Editor

*Journal of Corporate Finance*, 2001-18

*Journal of Financial Research*, 2006-11

Advisory Board

*Journal of Applied Corporate Finance*, 2015-present

Ad Hoc Referee for the Following Journals:

*Journal of Accounting and Economics*, *American Economic Review*, *Journal of Banking and Finance*, *Journal of Business*, *Economic Inquiry*, *The Journal of Economics and Management Strategy*, *The Journal of Finance*, *Journal of Financial Economics*, *Journal of Financial Intermediation*, *Financial Management*, *Journal of Financial and Quantitative Analysis*, *The Journal of Financial Research*, *The Financial Review*, *The Journal of Risk and Insurance*, *The International Review of Financial Analysis*, *The International Review of Finance*, *The Journal of Law & Economics*, *The Journal of Law Economics and Organization*, *Management Science*, *The Accounting Review*, *The Quarterly Review of Economics and Finance*, *The Review of Industrial Organization*, *Review of Financial Economics*, and *Review of Financial Studies*.

Conferences:

Co-Founder of Financial Research Association (FRA)

Co-Program Director of FRA annual conference, 2004-13

- Co-Founder of Forum on Corporate Finance (FCF)
  - Co-Program Director of FCF annual conference, 2001-10, 2018
- Program Director, The Texas Private Equity Conference, 2001-06, 2010-20
  - Annual conference sponsored by Hicks, Muse, Tate and Furst Center for Private Equity Finance.
- Co-Organizer, Alternative Investments Conference, 2011-14
  - Conference jointly organized by finance centers at the University of Texas
- Coordinator, Doctoral Student Symposium at Asia meeting of the Financial Management Association International, 2010
- Track Chair, Financial Education, for the annual meeting of the Financial Management Association International, 2010
- Co-Program Director, two-year conference series on NAFTA: Cross-border Opportunities, Challenges and Successes, Mexico City, 2003-04
- Co-Program Director, 10<sup>th</sup> Annual Conference on Financial Economics and Accounting, 1999
- Conference Program Committees:
  - Academic Conference on Corporate Governance (Drexel), 2011
  - American Finance Association Annual Meeting, 2012, 2014
  - Asian FA/Financial Management Association Meeting, 2006
  - Cass Mergers and Acquisitions Research Centre Academic Conference, 2016-19
  - Conference on Corporate Finance (Washington University), 2007-08
  - European Finance Association, 2015-18
  - Financial Management Association Annual Meeting, 1994-96, 2000, 2003, 2004, 2006-07, 2009-10, 2018-19
  - Financial Management Association Asia Conference, 2010
  - Financial Management Association European Conference, 2000
  - Financial Research Association, 2004-19
  - Frontiers of Finance Annual Conference, 2005-07
  - Northern Finance Association Meeting, 2015
  - Southern Finance Association Annual Meeting, 1998
  - Society of Financial Studies Cavalcade, 2012-20
  - Texas Finance Alumni Conference, 2015
  - Western Finance Association Annual Meeting, 1999-2012, 2014-19
- Speaker at University of Texas alumni meeting in London, 2019

### **Professional Non-Academic Appointments**

- U.S. Army (active and reserve), 1979-2002
  - Lieutenant Colonel:
    - Active Duty, 1981-84
      - Foreign Material Science Analyst, US Army Foreign Science and Technology Center, Charlottesville, VA
    - Army Reserve and Virginia Army National Guard, 1979-81, 1985-2002
      - Assignments included Assistant Operations Officer for a U. S. Army Reserve School and Chief (IMA) of the Chemical Training Department at the U.S. Army Chemical School

Sprigg Lane Financial, Inc., Charlottesville, Virginia, 1985-88

President:

Firm provided financial consulting and business valuation support to a group of companies marketing professional services to attorneys, accountants, small businesses, and individuals

Member of parent corporation executive, banking, and portfolio committees

Director of The Bentley Group, Inc., a group of manufacturing companies that produced gift and decorative accessories and furniture

Marriott Corporation, Bethesda, Maryland, 1984-85

Senior Planning Analyst, Business Planning & Development:

Conducted fundamental business analysis and preliminary financial valuation of new business development opportunities and acquisition targets