

Prerna Agarwal

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EDUCATION

Tippie College of Business, University of Iowa PhD in Finance	Iowa City, IA Expected June 2021
Delhi School of Economics, University of Delhi Master of Commerce, Finance	New Delhi, India May 2012
Shri Ram College of Commerce, University of Delhi Bachelor of Commerce (Hons.), Finance	New Delhi, India May 2010

RESEARCH INTERESTS

Empirical corporate finance: capital structure, corporate culture, compensation contracting, entrepreneurship

WORKING PAPERS

“Cash Flow Diversification of Offshoring Firms” (solo-authored job market paper)

- To be presented at the 2020 FMA Annual Meeting October 2020
- Presented at the 2020 FMA Doctoral Student Consortium October 2020
- Presented at University of Iowa (successfully defended dissertation proposal) September 2020

Abstract:

Using the 10-K textual data of firms’ offshore sales network, I examine the implications of cash flow diversification on firms’ leverage, debt capacity and cash flow volatility. Consistent with a debt coinsurance effect, I find that the benefits of international diversification are higher for firms operating in countries where shocks co-vary less with the domestic ones. My empirical analysis further confirms that purchasing input from the same nation where a firm sells its output is counter-cyclical and serves as an operational hedge which in turn strengthens the effects of cash flow diversification. The results are robust to controlling for potential selection effects and alternate interpretations.

“The Impact of Religiosity on Contractual Choices: Evidence from CEO Employment Agreements” (with Wei Li and Yiming Qian)

Abstract:

We examine the impact of firm’s culture, specifically its religiosity on the use of explicit employment agreements (EA). Using a sample of 10,378 U.S firm-year observations, we find that local religiosity is negatively (positively) related to the choice of explicit (implicit) employment agreements. In a religious environment, the concerns of opportunistic behavior are mitigated and the Chief Executive Officers (CEOs) have no incentive to enter into a formally written explicit agreement. We further investigate how the contradicting behaviors and beliefs of Protestant and Catholic religious groups affect the choice between explicit and implicit contracting.

WORK IN PROGRESS

“Pay Disparity in top executive team hurts firm innovation” (solo-authored)

- Preliminary results; additional analyses in progress; first draft written

“Incoming headquarters stir entrepreneurial ecosystem: Evidence from Private Firms” (with Shagun Pant)

- Draft coming soon

TEACHING EXPERIENCE

University of Iowa

FIN:3000: Introductory Financial Management (as an independent instructor) Fall 2019, Spring 2020
 • Taught in a “flipped” classroom format

FIN:3200: Investment Management (as an independent instructor) Fall 2017 - Summer 2018
 • Taught in an online format (developed a new course)

FIN:3000: Introductory Financial Management (as a TA) Spring 2017, Spring 2019
 • Teaching Assistant to Heidi Dybevik (led discussion sections) Fall 2016
 • Teaching Assistant to Jon Garfinkel (teaches in a “flipped” classroom format)

University of Delhi

Financial Accounting, Business Statistics
 (Assistant Professor at Motilal Nehru College) Fall 2013 – Summer 2015

Financial Accounting, Financial Reporting and Analysis
 (Visiting Faculty at Kalindi College) Fall 2013, Spring 2014

HONORS & AWARDS

Financial Management Association (FMA) Doctoral Student Consortium 2020
 Graduate College Summer Fellowship, University of Iowa Summer 2019, 2020
 American Finance Association (AFA) Travel Grant Award 2019
 Graduate College Post-Comprehensive Research Fellowship, University of Iowa Fall 2018
 Best Summer Paper Award, University of Iowa 2017
 Recruitment Fellowship, University of Iowa 2017
 Ponder Fellowship, University of Iowa 2016

OTHER

Qualified UGC-NET (National Eligibility Test for Lectureship), India 2012

Programming skills:

Data management and analysis: Stata, Python, SAS, R

Web crawling, scraping, and parsing: Python

Document rendering: LaTeX

REFERENCES

Erik Lie (co-chair)
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University of Iowa
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