Stockholm April 2, 2012

Concerning the 2012

NBER Entrepreneurship Research Boot Camp

My name is Anna Söderblom. I recently, i.e. last summer, defended my doctoral thesis about private equity fund investing. Besides my focus on the area of private equity, my research concerns more generally financing of startup firms. I am located at Stockholm School of Economics, at the Center for Entrepreneurship and Business Creation, where I also offer courses in entrepreneurial financing.

I got to know about the NBER Entrepreneurship Research Boot Camp from Professor Per Strömberg, who was one of my three thesis advisors. Given my research topic and current stage of research carrier, the possibility to attend this boot camp in July 2012 would be of tremendous value to me.

Two documents are enclosed: (i) a curriculum vitae, and (ii) an essay that outlines why I believe this boot camp would be valuable for my future research career. Professor Per Strömberg has been kind enough to write a letter of recommendation, which will be sent to you separately.

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Internet: www.sifr.org/pelle.html
Per Strömberg
SSE Centennial Professor of Finance and Private Equity, Stockholm School of Economics.
Director, Swedish House of Finance (SHOF)
Senior Research Fellow, Institute for Financial Research (SIFR)
Thomas Hellman
University of British Columbia
Sauder School of Business
2053 Main Mall, Vancouver, BV,
CanadaV6T 1Z2
Dear Thomas,
Hope all is well with you!
I am writing this letter in support of Anna Söderblom, a recent PhD in Management from the
Stockholm School of Economics, who is applying to attend the Entrepreneurship Bootcamp this
summer. I have known Anna for several years, and was one her three PhD advisors. I think she
is a very promising young scholar, who would greatly benefit (and contribute) to the Boot
Camp.
Anna is somewhat different from the typical PhD-students at the SSE. Before setting out on her
PhD-studies, she worked for many years with IT and start-ups, first at Microsoft and later at
several VC and incubator firms. This has given her a unique perspective on this area, which
she incorporates in very fruitful ways in her research. Anna's PhD thesis concerns private
equity fund investing from the institutional investor perspective. In particular, using unique
hand-collected data on the emergence of the Swedish PE industry in the early 1990's, she looks
at the choice of LPs to invest in the PE market from a strategy and industrial organization
perspective. In one of her papers, she considers whether an LP should "enter the market" (i.e.
start investing in private equity funds) early, in order to get a first mover advantage (for
example in terms of better access to funds, and the ability to build a PE investment
organization) or later (which would reduce uncertainty about the asset class). The answer turns
out to depend on the "status" (experience, size) of the LP, as well as on the relative uncertainty
of the market segment in which the LP enters (VC or buyout). This is very innovative work,
and a refreshing perspective on PE research.

Besides Anna's focus on private equity, she has broaden her research interest to include a
broader set of financial options to startup firms, including governmental and debt based funding
As a person, Anna is a high performer, always well-prepared, very careful and takes large
responsibility for her research. Everything Anna does is thorough, logical, innovative and
genuinely scientific. She takes no shortcuts to quickly get ready, but instead starts from the
scientific study of the issue she has established.
I have a high beliefs in Anna's capabilities to become a prominent senior researcher within the
field of entrepreneurial finance. She has already proven her ability and understanding of the
field by writing a truly high quality doctoral thesis. However, Anna is still a junior scholar with
limited experience from developing top journal articles and would benefit greatly from
participating in the NBER Entrepreneurship Research Boot Camp. By participating in this highAddress:
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quality program, she would get further insights, knowledge, and not least a network within the
field of entrepreneurial finance that would be invaluable in her future research career.
If you have any questions please do not hesitate to contact me.
Best regards,
Per Strömberg

Curriculum Vitae

Name:	Anna Söderblom
Address:	Båtsmans backe 6, 133 33 SALTSJÖBADEN
Home telephone:	+46 (0)8 717 30 75
Mobile	+46 (0)70 940 90 01
E-mail:	anna.soderblom@hhs.se
Family:	Husband and three children born 1993, 1997 & 2001
Date of birth:	November 2, 1963

EDUCATION

Stockholm School of Economics

PhD in Business Administration (Entrepreneurial Finance) **2011**

Stockholm University

Degree of Bachelor of Social Science with a major in Business Administration **2003**

Lund University

Graduate in Mathematics with a specialization in Computer Science **1994**

PHD COURSES

Theory

Accounting and financial management	2006-06-02
Entrepreneurship	2006-12-15
History of ideas	2005-06-01
Markets-as-Networks: Research frontlines	2006-06-19
Organization theory: Perspectives	2007-10-15
Research theories	2005-11-08
Sociological theory: Classical	2006-11-28
Sociological theory: Contemporary	2006-12-19

Method

Social network analysis	2008-01-29
Qualitative methods: Part 1	2008-01-21
Qualitative methods: Part 2	2007-10-10
Quantitative methods: Mathematics and model construction	2006-03-01
Quantitative methods: Statistics 1	2006-01-19
Quantitative methods: Statistics 2	2006-03-09
International publishing	2007-04-30
The research process	2006-01-24

PUBLICATIONS

Söderblom, A. (2012). *The current state of the venture capital industry in relation to other financing sources for startup firms*. Entreprenörskapsforum, Sweden.

Söderblom, A. and C. Sutton (2011). *Private equity fund investing: The importance of reputation in uncertainty*. Conference paper presented at Academy of Management, San Antonio, US, August 2011.

Söderblom, A. (2011). *Private equity fund investing: Investment strategies, entry order and performance*. Doctoral Dissertation. Stockholm School of Economics.

Söderblom, A. and G. Murray (2006). *Designing government-supported venture capital programs in Europe: Is there a "research/policy gap"*? Conference paper presented at Babson, Indiana, US, June 2006.

Söderblom, A. and J. Wiklund (2005). *Factors determining the performance of early stage high-technology venture capital funds: A review of the academic literature*. Small Business Services, UK.

TEACHING

Stockholm School of Economics

Course director: MSc Program in General Management: *The Startup Firm*	2010-
Course director: MSc level, elective: *Finance for Startups*	2009-
Various teaching, lecturing and coaching assignments at the bachelor's, master's and executive's education levels	2005-

WORK EXPERIENCE

Company Board Assignments **1998-**

Formal board assignments in more than 15 companies over the years, including assignments in small private firms, companies listed on the NASDAQ OMX Stockholm Stock Exchange, private equity financed firms, and trade associations

Swedish Industrial Development Fund (Governmental VC Firm) **2003-2005**

Investment Manager

StartupFactory (Private VC Firm) **2000-2003**

Partner/Investment Manager

Sweden Post, Letter Business Division **1998-2000**

Marketing Director

Microsoft Nordic **1987-1998**

Marketing Manager/Marketing Director	1995-1997
Technical Support Manager	1990-1995
Support Technician and Support Group Manager	1987-1990

NBER Entrepreneurship Research Boot Camp 2012

Current research area

In June 2012, I defended my doctoral thesis with the title "*Private Equity Fund Investment Strategies: Organizational Characteristics, Entry Order and Performance*" at the Stockholm School of Economics. Three supervisors supported me throughout this work, Professor Carin Holmquist at Stockholm School of Economics, Professor Per Strömberg at Stockholm School of Economics, and Professor Howard Aldrich at UNC Chapel Hill. Professor Dean A. Shepherd, Kelley School of Business Indiana University, served as the academic opponent for the thesis.

In the doctoral thesis, I investigate private equity (PE) as a financial asset class. While scholars have devoted considerable effort to study the area of risk capital investing into businesses, research about private equity as an asset class is surprisingly scarce. The dissertation addresses this gap by enhancing understanding of PE fund investing in general, and specifically about how heterogeneity in investor-specific characteristics and entry order strategies may impact performance. Based on a comprehensive set of interviews with PE fund investors, in-depth insights about variances in motives for investing in the asset class, ways of working, and investment strategies across investors were acquired; findings that are elaborated upon in the dissertation. In addition, to facilitate a thorough investigation of the links between organizational characteristics, entry order and performance, hypotheses were tested through the statistical analysis of unique data covering PE funds raised in Sweden over a twenty-year period. Among several novel results, this study indicates that the level of environmental uncertainty has a clear impact on which organization-specific factors explain entry order, as well as which factors impact the ability of an organization to take advantage of a chosen entry order. Furthermore, the study points at organizational reputation as an especially valuable asset in situations of uncertainty. While a good reputation does not directly lead to superior performance, it may be used in exchange for favorable entry order positions.

Since the thesis was written as a monograph, a major work is now to transfer some of the key findings to articles in order to publish them in peer-reviewed journals. So far, I have primarily been working with one article that was presented at the 2011 Academy of Management Conference. After some modifications, the working name of this article is now "*The importance of reputation in uncertainty: Private equity investment timing*". I strive to identify at least one to two more themes from the thesis that can be re-written into the form of publishable articles. If possible, I aim at publishing the articles in journals such as the *Strategic Management Journal* and *Venture Capital.*

Future research direction

My research interest continues to evolve around private equity – and particularly as an asset class. This is still a scarcely researched area where many questions remain unanswered.

Besides private equity, I am largely interested in taking on a broader research perspective of the area of finance for startups. A large proportion of the research in entrepreneurial finance to date focuses only on one type of funding at a time, first and foremost on venture capital. This single source focus is problematic due to several reasons. First, most firms, even if they are small and young, make use of multiple sources of financing simultaneously. Second, the heavy focus on equity financing, primarily on VC, provides a distorted perception of funding options available to a vast majority of young firms. Only a trivial fraction of startup companies are financed by venture capitalists. Recent

research shows that debt constitutes by far the largest source of external funding not only for startup businesses in general, but so also for high growth firms. That is, a more thorough and holistic analysis of alternative funding sources such as angel investors, commercial debt, governmental debt, business incubation, subsidies, customer or supplier credits, crowd funding, etc., would allow for detailed studies of factors driving segmentation in the provisions of capital to startup enterprises. In this respect, the still limited but growing stream of research investigating the overall capital structures of small and young firms is promising (Berger and Udell, 1998; Cosh et al., 2009; Robb and Robinson, 2010; Vanacker and Manigart, 2010; Gartner et al., 2011). However, many areas are still scarcely investigated, not least the links between sources of early stage financing, or for that matter lack of funding, and future firm performance. With sophisticated research methods, carefully addressing any potential endogeneity or selection issues, I foresee several possibilities to add to this stream of research.

Why the NBER boot camp would be highly beneficial

When I saw the call for applicants to the NBER Entrepreneurship Research Boot Camp, I immediately got highly interested and exited. Although it says that it is primarily intended for PhD students, the call clearly states that the boot camp is also suitable for post-docs and early-career assistant professors with an interest in entrepreneurship economics and/or entrepreneurial finance. And the area of entrepreneurial finance is, as outlined above, exactly what my research interest concerns. Although I have researched the field of private equity for a number of years now, I have never participated in any course, symposium, conference, or similar, that has been even close to this opportunity to get into depth with the topic that is my absolute key area of interest. Hence, I could hardly think of any other training that could provide such an invaluable opportunity to learn more about the leading research topics in the area. Moreover, getting the opportunity to meet some of the most well-known scholars in the field and learn directly from them would obviously be fantastic. Finally, given the small country I operate in, i.e. Sweden, I from time to time find it difficult to meet peers having the same research interest as I do. That is, I find a scarcity of researchers focusing on finance for startups. Therefore, to get the opportunity to meet, and hopefully build a network with, other scholars interested in this topic would be extremely beneficial for my future career.

Hopefully, I may also be in a position where I can contribute to other participants. I have gained a rather solid experience from the research niche concerning private equity fund investing. Furthermore, I have a practical experience from VC fund investing and from being operational as a board member of a number of startup firms. Thereby I also, to some extent, bring the practical perspective to the table.

To summarize, I am absolutely convinced that I would benefit highly from attending the NBER Entrepreneurship Research Boot Camp this summer – which would bring me closer to become a more experienced and senior researcher within the field of entrepreneurial finance.

Yours sincerely,

Anna Söderblom