NBER Entrepreneurship Research Boot Camp
Summer, 2014

Applicant's Contact Information

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Letter Writer's Contact Information

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EDUCATION

Duke University, Fuqua School of Business – Durham, North Carolina — 2012 – current
Ph.D., Business Administration (Finance)

Purdue University – West Lafayette, Indiana — 2008 – 2012
B.S. in Actuarial Science & Applied Statistics

RELEVANT COURSEWORK

FINANCE CORE
Empirical Corporate Finance – Professors John Graham and Alon Brav
Empirical Corporate Finance – Professor Paige Ouimet
Corporate Finance Theory – Professors Adriano Rampini, Ming Yang, and Felipe Varas
Financial Economics – Professor Lukas Schmid
Asset Pricing – Professor Ravi Bansal

ECONOMICS CORE
Microeconomics – Professors Huseyin Yildirim and Philipp Sadowski
Game Theory – Professor Curt Taylor
Econometrics – Professor Federico Bugni

APPLIED MICROECONOMICS
Causal Inference – Professor Elizabeth Ananat
Economics of Public Education, Incentives in Education – Professor Hugh Macartney
Discrimination and Social Interactions, Matching and Sorting – Professor Patrick Bayer

NON-ACADEMIC EXPERIENCE

CNA Financial Corporation| Chicago, IL | Actuarial Intern | June 2011 – August 2011
OneAmerica Financial Partners| Indianapolis, IN | Actuarial Intern | May 2010 – July 2010
St. John's Church | Lafayette, IN | Assistant to the Director of Music | Feb 2009 – July 2012
Self - Employed | West Lafayette, IN | Piano Teacher | May 2008 – June 2012

HONORS & AWARDS

Purdue University Trustee Scholar (2008-2012)
Mu Sigma Rho (inducted 2012)
Outstanding Junior in Statistics (2011)
Phi Beta Kappa (inducted 2010)
Outstanding Freshman in Statistics (2009)

Application Essay

Professor Manju Puri recommended to me that I consider applying for this boot camp. Current Fuqua students and ERBC workshop alumni, Song Ma and Sergio Correia, confirmed that the workshop is an invaluable experience. At present, I have two broad research ideas I hope to pursue. First, what are the effects of benefit corporation legislation on the entrepreneurial landscape? Second, what social networks are important in entrepreneurial activity? I recently obtained Special Sworn Status with the Census Bureau and hope to leverage the powerful datasets I now have access to. I view this workshop as a great opportunity to get a thorough and rigorous treatment of entrepreneurial finance, and it would be wonderful to be invited.

I've completed the economics core for finance PhD students and, by this summer, will have finished the finance coursework as well. Given my interest in empirical corporate finance, I took Paige Ouimet's PhD course at UNC last fall. This class and its Fuqua counterpart have given me a solid foundation, but my exposure to the entrepreneurship literature has so far been fairly limited. During my first semester, I attended Professor Adelino's presentation of his work with Professors Schoar and Severino on "House prices, collateral and self-employment." And while writing the paper proposal on benefit corporations for my causal inference class, I did some background reading in entrepreneurship.

The first item on my research agenda is to explore the effects of benefit corporation legislation. A focused research question: does enacting benefit corporation legislation increase the number of startups? My hypothesis as it stands is simple. Enacting benefit corporation legislation gives economic agents another option. Over time, this will increase startup activity as agents who weren't planning to found companies do so. It also encourages those agents who were going to found companies anyway to locate themselves in states that have passed the legislation, because of the extra option those states provide. Therefore, the enactment of benefit corporation legislation leads to increases in startup activity. The identification strategy uses a simple difference-in-differences model where the parameter of interest is on the dummy for if benefit corporation legislation has been passed in a given state-year. Because of the quasi-random nature of the enactment of the benefit corporation legislation I hope that the identification strategy will allow me to make a causal statement about the effect of benefit corporation legislation on firm start-up rates.

The second area I am interested in researching is the identification of and effects of social networks in entrepreneurial activity. A focused research question: Are the sources of capital that entrepreneurs tap a function of their social networks? For example, it might be the case that an entrepreneur's ability to find willing angel investors depends on who he knows. Identifying this result could allow us to make important welfare statements and provide policy recommendations to fix those information asymmetries that are most value destructive. To answer these questions and ones like it will require both creativity and richer datasets.

I have clearance to use and access to the Longitudinal Business Database, Annual Survey of Manufactures, and the Longitudinal Employer-Household Dynamics census datasets. These datasets allow a detailed investigation of human capital responses to corporate restructuring events. These disruptive events can potentially be treated as exogenous shocks to the supply of quality human capital considering entrepreneurship – an employee on the fence about leaving the firm may view the restructuring as a natural time to leave. I hope to leverage my access to this detailed dataset to explore questions in entrepreneurial finance research.

In short, I think the ERBC is a great opportunity for me to learn new, relevant material from leaders in the field. Attending would help me push my research agenda in entrepreneurship tremendously. I would benefit enormously from attending the workshop.

Manju Puri
J.B. Fuqua Professor of Finance

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March 31, 2014

Thomas Hellmann
Academic Coordinator
NBER Entrepreneurship Boot Camp

Dear Thomas,

I am writing this recommendation letter on behalf of Ben McCartney (William Benedict McCartney), a doctoral student in finance at the Fuqua School of Business.

I have known Ben over the last two years and have interacted with him often. Ben has served as my teaching assistant for my MBA elective on "Raising Capital." I am also advising him on his research.

Ben is proactive in seeking new ideas and getting involved in research. Because of his energy and enthusiasm we have co-opted him into an entrepreneurial project that we are doing using Census data and put him through the (long) process for clearance. He now has access to the Census data and will be helping us with this project. He also has some ideas for research using the Census databases that relate to entrepreneurship and will be exploring them too.

Ben is interested in small and young firms in general and in entrepreneurial finance in general. He has some ideas that he is currently working on, but would benefit enormously from attending the boot camp. It is sure to influence his thinking and research path in a first order way, as it has for my past students who have attended.

Overall, I think Ben has excellent potential and I urge you to give him your serious consideration. If you have any questions, please feel free to call me.

Yours sincerely,

Manju Puri