

Fei Du

Leventhal School of Business
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EDUCATION

University of Southern California
Ph. D. Candidate in Accounting
Dissertation co-chairs: S. Mark Young and Sarah E. Bonner
2005-present

Beijing Technology and Business University
B. A. in Accounting (Highest Honors)
1999-2003

RESEARCH INTERESTS

Management accounting and control. Specifically, subjective performance evaluation; the design of management control system in a relationship-based system; inter-organizational learning in strategic alliances.

Corporate governance. Specifically, consequences of individuals' social ties and group cohesion on the quality of decision-making in the boardroom.

PUBLICATIONS

“The Business of Selling Movies”, (with S. Mark Young, Wim A. Van der Stede, Jianxin Gong, and Tatiana Sandino), *Strategic Finance*, 89 (9), February 2008: 35-41.

“The Choice of Cost Drivers in Activity-Based Costing: An Application at a Chinese Manufacturing Company”, (with Thomas Lin, Pingxin Wang, and Dinghua Lei), *International Journal of Management*, 27(2), August 2010.

“Pacific Sunwear of California, Inc.”, (with Kenneth A. Merchant and Wim A. Van der Stede), in *Management Control Systems: Performance Measurement Evaluation and Incentives*, Prentice Hall, 2007.

JOB MARKET PAPER

“Political Connections, Organizational Complexity and Access to Bond Capital”

WORKING PAPERS

“Dysfunctional Behavior and Subjective Performance Evaluation: Evidence from 63 Chinese State-owned Enterprises”, (with S. Mark Young and Guliang Tang)

“Board Cohesion, Information Sharing and Board Independence – Survey Evidence from Chinese Independent Directors”, (with S. Mark Young and Guliang Tang)

WORK IN PROGRESS

“Social Ties to Bank Regulatory Agencies and Firm Risk Taking Behavior: Evidence from US banking Industry”, (with Claudia Zhen Qi)

“The Adoption and Implementation of Modern Management Accounting Control Tools in Chinese State-owned Enterprises: A Field Study”, (with Chen Gao and Guliang Tang)

“Knowledge Transfer, Replication of Control, and Stability of Joint Ventures: Evidence from Automobile Industry in China”

PUBLICATIONS IN CHINESE JOURNALS

“Centralization versus Decentralization of Diversified Conglomerates: A Field Study of China Resource Group”, Accounting Research, February 2009:53-60.

“A Critical View of the Use of Balanced Score Card in Chinese Firms”, Contemporary Corporate Finance, August 2006.

“How to Control the Financial Risk of Cross Boarder Mergers and Acquisitions of Chinese Firms: The Case of Lenovo Purchasing IBM”, PKU Business Review, April 2005: 117-121.

“Strategic Management Accounting: Balancing the Three Dimensions of Growth, Income, and Risk”, Accounting Research, November 2004: 31-37.

“A Strategic Budgeting Model: Disaggregating Strategic Goals into Budgeting Targets at Multiple Levels”, Journal of Communication of Finance and Accounting, February 2004: 13-15.

“6S Management Control System of China Resource Group”, Contemporary Accountant, January 2004: 28-30.

“Financial Strategy and Organizational Restructure: The Apollo Plan of TCL Group”, Finance & Accounting, March 2004: 15-17.

“Tunneling and Expropriation in Connected Party Transactions: The Case of Huapu Group”, Finance & Accounting, May 2003: 12-14.

TEACHING EXPERIENCE

University of Southern California, business undergraduate core courses:

Instructor, Management Accounting (BUAD 250B), spring 2008

Teaching Assistant, Financial Accounting (BUAD 250A), fall 2007

Beijing Broadcast Television University, accounting department:

Instructor, Advanced Financial Accounting, spring 2004 and fall 2004

Beijing New Oriental School, business English department:

Instructor, Accounting Principles, summer 2003

CONFERENCE ATTENDANCE

AAA Management Accounting Section Mid-Year Meeting, Seattle, WA, 2010 (*Presenter*)

The 8th International Symposium on Empirical Accounting Research, China, 2009 (*Presenter*)

AAA Annual Meeting, New York, NY, 2009 (*Discussant*)

China Accounting and Finance Review International Symposium, China, 2009 (*Presenter*)

AAA Deloitte/J. Michael Cook Doctoral Consortium, Lake Tahoe, CA, 2009

AAA Management Accounting Section Mid-Year Meeting, St. Petersburg, FL, 2009

AAA Annual Meeting, Anaheim, CA, 2008

ABO Research Conference, Providence, RI, 2008

AAA Management Accounting Section Mid-Year Meeting, Long Beach, CA, 2008

Corporate Governance Summit, Los Angeles, CA, 2007

PAC-10 Ph.D. Consortium, Los Angeles, CA, 2007

AAA Management Accounting Section Mid-Year Meeting, Fort Worth, TX, 2007 (*Paper accepted at the research forum*)

AWARDS AND HONORS

AAA/Deloitte/J. Michael Cook Doctoral Consortium Fellow – Lake Tahoe, 2009

Deloitte Foundation Doctoral Fellowship, 2008

Dean's Scholar Award, USC Marshall School of Business, 2005-

OTHER PROFESSIONAL EXPERIENCE

Staff Assistant, Ministry of Finance, China, 2004

Research Assistant, Macroeconomics Research Department, China Securities Company, 2003

Part-time accountant, Siemens Production and Logistics Systems, China ltd., Summer 2001

REFERENCES

S. Mark Young

George Bozanic and Holman G. Hurt Chair in Sports and Entertainment Business

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Summary of Research

1) “Political Connections, Organizational Complexity and Access to Bond Capital: Evidence from China” (Job market paper)

Abstract: This study examines the following research question in a Chinese setting with 1672 new bond issuances from the year 2005 to 2009: How political connections of executives of Chinese firms influence their firms’ access to bond capital in China? I hand collected and merged data including: (a) firm executive curriculum vitas, (b) geographic diversity and business diversity, (c) debt issuance contracting terms, (d) credit ratings, and (e) firm financial performance. I measure firm political connections in this context as a score based on the highest bureaucratic positions held by a firm executive, with the highest level of political connections attributed to those who have held top positions in the central government, followed by those in the provincial and municipal governments. Results suggest that firm political connections are positively associated with the debt issuance amount and the credit ratings, but are not significantly associated with future firm financial performance. I also find that the firm ownership type, organizational complexity, location of firm headquarters, and size affects the relevance of firm political connections.

2) “Dysfunctional Behavior and Subjective Performance Evaluation: Evidence from 63 Chinese State-owned Enterprises”, (with S. Mark Young and Guliang Tang)

Abstract: This study addresses how a superior and a subordinate engage in dysfunctional behavior in the process of subjective performance evaluation. The research context is the Chinese government’s evaluation of Chinese state-owned enterprises (SOEs) by the State-owned Assets Supervision and Administration Commission of China (SASAC). We analyze archival records of the government’s evaluation scores, score adjustments, and evaluation ratings given to 63 SOEs between 2005 and 2007. Results indicate that the political connections of SOE CFOs, the geographic proximity of SOE headquarters to the SASAC central office, size of the SOEs, and political rank of the firm affects the SASAC’s evaluations.

3) “Board Cohesion, Information Sharing and Board Independence – Survey Evidence from Chinese Independent Directors”, (with S. Mark Young and Guliang Tang)

Abstract: This study investigates how group dynamics in boards are associated with board independence. The level of information sharing between corporate insiders and independent directors is hypothesized to positively influence the level of board independence. The level of perceived board cohesion is hypothesized to enhance board independence too, but only when cognitive conflicts exist between CEO and independent directors. Using survey data from 62 independent directors of Chinese listed companies, this study finds that the data supports the hypothesized structural equation model. We measure board independence by asking independent director respondents to indicate the extent to which they are immune from being influenced by CEO’s opinion, and the extent to which independent director respondents refrain from engaging in side communication prior to board votes. Information sharing is measured as the information sharing efforts, made both on the part of the company and on the part of the independent directors, both during and in between board meetings.