

# RUIYAO ZHU

Virginia Tech, Finance Department  
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## EDUCATION

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**Virginia Tech - Pamplin School of Business** *2017 - 2022(expected)*  
Ph.D. in Finance

**Syracuse University - Whitman School of Management** *2016*  
M.S. in Finance

**Purdue University - Krannert School of Management** *2015*  
B.S. in Accounting, Finance, Management

## RESEARCH INTERESTS

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Corporate Finance, Corporate Governance, Executive Compensation, Payout Policy, Mergers and Acquisitions

## WORKING PAPERS

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**“Academic Directors and Corporate Innovation”** (Job Market Paper)

- with Yutong Xie and Jin Xu

- Presentations: NFA 2021 Annual Conference (Scheduled), Virginia Tech.

Abstract: We show that academic directors significantly increase firms' R&D investment and innovation output. Following an academic director's death and relative to a non-academic director's death, the average firm reduces R&D by 2.0% of total assets more and its market value of innovations declines by 4.4% more. The results are not driven by PhD CEOs or non-academic PhD directors. As we expect, academic directors in STEM disciplines are particularly pro-innovation. Academic directors are associated with higher firm value at innovative firms but not at other firms, consistent with valuable innovation for some firms. Overall, our results highlight the important advising and monitoring roles academic directors play in corporate innovation.

**“Does It Pay To Hire A Friend?”**

- with Yutong Xie and Jin Xu

- Presentations: FMA 2021 Annual Meeting (Scheduled), Virginia Tech.

Abstract: We find that pre-existing professional ties with a firm's board significantly increase a CEO candidate's probability of being hired by the firm. Considering all CEOs hired this year as potential candidates, a board-connection corresponds to a fourteen times increase in the probability the candidate is selected as CEO. Consistent with the hypothesis that boards select connected candidates to increase shareholder value, we find significantly greater firm performance improvement after CEO turnovers for firms hiring connected CEOs than those hiring unconnected CEOs. Further, the performance increases are particularly strong among firms with high information asymmetry, large CEO termination risk, and high coordination costs. One potential channel through which connected CEOs increase value is by making good acquisitions. Inconsistent with boards rendering favors to friends, connected CEOs are not awarded a larger pay package when they assume office. Overall, our results suggest that it pays for a firm to hire a CEO with pre-existing ties to the board when connections are valuable to the firm.

## TEACHING EXPERIENCE

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**Introduction to Finance, Instructor**

Teaching Evaluation: 5.20/6

*Spring 2021*

Teaching Evaluation: 5.38/6

*Spring 2020*

## TEACHING ASSISTANTSHIP EXPERIENCE

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<b>Corporate Finance II, PhD Level</b> Prof John C. Easterwood	<i>Spring 2021</i>
<b>Investments</b> Prof Pengfei Ye	<i>Fall 2020</i>
<b>Equity Securities</b> Prof Pengfei Ye	<i>Fall 2020</i>
<b>Financial Modeling</b> Prof Cara Spicer	<i>Fall 2019, Spring 2020</i>
<b>Asset Valuation and Corporate Governance</b> Prof Roger Edelen	<i>Fall 2019</i>
<b>Introduction to Finance</b> Prof Art Keown	<i>2018, 19</i>
<b>Corporate Finance</b> Prof Jin Xu	<i>2017, 18</i>
<b>Financial Analytics</b> Prof Bradley Paye	<i>Fall 2017</i>

## SCHOLARSHIPS AND GRANTS

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Virginia Tech Summer Scholarship	<i>2018,19</i>
Syracuse University CFA Scholarship	<i>2016</i>
Syracuse University Merit-Based Scholarship	<i>2015</i>

## CERTIFICATIONS

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<b>CFA - Passed level II exam</b>	<i>CFA Institute, United States</i>
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## SKILLS

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<b>Data Analysis:</b>	SAS, Stata, R, MS Office, Tableau, Google Analytics
<b>Database:</b>	CRSP, Compustat, SDC, BoardEx, ISS, I/B/E/S, Bloomberg
<b>Language:</b>	English, Chinese

## REFERENCE

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### **Jin Xu (Chair)**

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Pamplin College of Business - Virginia Tech  
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### **Andrew MacKinlay**

Assistant Professor of Finance  
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### **Vijay Singal**

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### **John C. Easterwood**

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