

# SIJIA FAN

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## EDUCATION

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<b>Cornell University</b> Ph.D. in Applied Economics and Management, Concentration: Finance	2020 - 2026
<b>Cornell University</b> M.Eng., Operations Research and Information Engineering	2018 - 2019
<b>Skidmore College</b> B.A. in (Hons) Economics and Mathematics. <i>Summa Cum Laude</i> Undergrad Thesis: “Stock Market Reactions to Industrial Disasters: Evidence from Incident Firms and Their Competitors”; 2018 Periclean Scholar Thesis Award	2014 - 2018

## RESEARCH PAPERS

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### Publication

Fan, Sijia, Qi Ge, Benjamin Ho, and Lirong Ma. “Sorry Doesn’t Cut It, or Does It? Insights from Stock Market Responses to Corporate Apologies.” *Journal of Economic Behavior & Organization* 205 (2023): 68-86.

- Featured in Business Scholarship Podcast.

### Working Papers

#### “How Firms Recover after Floods: Mechanisms and Evidence” (JMP)

- **Abstract:** Floods are among the costliest U.S. disasters, yet we know little about how businesses recover. This matters as climate-related flood risk rises and FEMA and the National Flood Insurance Program (NFIP) face fiscal and administrative pressures. To address this question, I combine high-resolution remote sensing inundation, FEMA flood maps, and establishment data. Using a triple difference around Hurricane Sandy and a spatial regression discontinuity that compares establishments just inside and outside the FEMA floodplain boundary, I provide novel causal evidence that flooded establishments located inside the floodplain subject to the NFIP’s mandatory purchase requirement recover more than comparable establishments. The effects are stronger for properties below the commercial coverage cap, where losses are more likely to be reimbursed. Federal aid, including SBA disaster loans and FEMA Public Assistance, further supports small business recovery and generates local spillovers. Firms that disclosed insurance opportunities before the flood recover more, and markets reflect this: firms with prior disclosure experience less negative returns around flood events. Together, the findings show how institutional design through insurance mandates, aid programs, and disclosure shapes real and financial resilience to disaster risk.
- **Workshop/Presentation:** NBER Climate Finance PhD Workshop, 2025 (scheduled); Cornell Finance Brown Bag.

#### “International ESG Equity Investing and Heterogeneous Asset Demand”

- **Abstract:** I study how sustainable investing impacts cross-sectional equity prices and valuation with institutional investors’ heterogeneous demand and tastes internationally. To obtain a sustainability measure for companies around the world and to capture the ESG tilt in portfolios of institutional investors, I construct a reveal-preference sustainability measure for each firm instead

of using a third-party ESG score. With Factset international institutional holding data from 2010 to 2021, I apply an equilibrium asset pricing framework to empirically estimate heterogeneous preference, allowing for investment portfolio choices within and across countries. I find that separately estimated investor demands are sensitive to the sustainability of firms. The demand of investors on average increases by 26% following a one standard deviation increase in the perceived greenness, but there exists huge investor heterogeneity across countries; for example, investors from mainland China would decrease their demand by 21%. With the estimated coefficients, I conduct counterfactual analyses that consider the implications when the ESG coefficient increases following realized climate risk and when a subset of ESG investors switch to holding a market-weighted portfolio to understand the significance of different groups of institutional investors.

- ***Presentations:*** NFA 2024; Cornell Sustainable Environment, Energy, and Resource Economics Seminar.

**“Corporate Disclosure of Biodiversity Risk Exposure”** with Miao Liu, Yao Lu, and David Ng (Under Review)

- ***Abstract:*** Biodiversity risk is an emerging challenge for firms and a growing concern for investors. We evaluate how companies disclose biodiversity risk exposure in their 10-K filings and how these disclosures shape investor perceptions. Using a two-step approach that combines natural language processing and large language models, we identify and classify voluntary disclosure of exposure to biodiversity risk as either direct (explicit acknowledgments of exposure) or indirect (implied exposure embedded in business discussions). We find that firms are more likely to disclose biodiversity risk exposure, particularly through direct disclosure, when institutional ownership is higher and when local stakeholder pressure intensifies. While managers tend to issue direct disclosures in response to information demand, investors react more strongly to indirect disclosures, especially when these disclosures appear for the first time. This divergence underscores a tension in disclosure preferences for exposure to emerging and rapidly evolving risks such as biodiversity: managers prioritize “reliability” and disclose only when confident, whereas investors value “relevance” and respond more strongly to timely, even if less definitive, signals.
- ***Presentations:*** CICF (China International Conference in Finance) 2025; SMU SOAR Accounting Symposium 2024\*; 2024 HKUST Conference Accounting Research Symposium\*; Cornell Accounting Brown Bag\*.

**“Do Donors of Donor-Advised Funds Respond to Natural Disasters?”** with Yipiao Cai, David Ng, and Jie Ying (Under Review)

- ***Abstract:*** Donor Advised Funds (DAFs) have grown significantly over the past decade as a popular tool for charitable giving. Despite their popularity, concerns remain about their efficiency in meeting charitable goals, especially during times of increased need. These concerns stem from the government subsidizing the tax treatment of DAFs, which provides donors with favorable tax deductions. Using data from Form 990 e-filings, this study examines how DAFs respond to natural disasters, which typically encourage charitable donations. We find that contributions to DAFs rise significantly during years with frequent natural disasters compared to other nonprofits. However, DAFs do not proportionally increase their grant payouts following these events. This trend persists even when comparing DAFs to private foundations and focusing on local disasters. Although total grants remain limited, DAF donors show increased engagement in reallocating funds to health- and food-related organizations and nonprofits with greater media coverage after disasters. This selective distribution pattern indicates that while DAF donors respond to disasters, they are hesitant to significantly increase total grant payouts, possibly due to factors like mental accounting.

## Work in Progress

**“Investors and the City: The Role of Institutional Ownership in the Allocation of Climate Infrastructure”** with Kelly Posenau and Ana-Maria Tenekedjieva

- ***Presentations:*** 2024 WAPFIN at Stern\*; 2024 Oxford Sustainable Private Markets Conference\*.

# TEACHING EXPERIENCE

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## TA for Undergraduate Courses

AEM 4230/5230 Behavioral Finance (Lawrence Jin, Fall 2024 & Fall 2025)  
AEM 4280 Valuation of Capital Investment (David Ng, Spring 2024)  
AEM 4060/6061 Risk Simulation and Monte Carlo Methods (Calum Turvey, Spring 2022 & 2023)  
AEM 2600 Managerial Economics (Ben Leyden, Fall 2022)  
ORIE 4741 Learning with Big Messy Data (Madeleine Udell, Fall 2019)

## TA for Graduate Courses

NBA 5980 Behavioral Finance (Lawrence Jin, Spring 2023)  
NRE 5280 PhD Seminar in Empirical Asset Pricing (David Ng, Fall 2022)  
AEM 6140 Behavioral Economics and Managerial Decisions (David Just, Fall 2021)

Average TA rating: 4.76/5 in student course evaluations for courses with TA sessions

# AWARDS, FELLOWSHIP, AND GRANTS

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## Cornell University

Richard D. Aplin Teaching Excellence Fund, 2024 & 2025  
NFA PhD Student Travel Grant, 2024  
Morgenthau Henry & Marcelle Fellowship Award, 2021-2023  
Cornell PhD TA/GRA Fellowship, 2020-2026  
Silent Hoist and Crane Award, Third Place, 2019

## Skidmore College

Mathematical/Interdisciplinary Contest in Modeling, 2018

- Outstanding Paper Award, INFORMS Award, and International COMAP Scholarship Award
- Fan, Sijia, Ran Tao, and Kaifeng Yang. “How Does Climate Change Influence Regional Instability?”, *UMAP (Undergraduate Mathematics and Its Application) Journal* Vol.39 Issue 2 (2018): p165-186
- *Presentation*: MAA MathFest 2018

William E. Weiss Memorial Award in Economics, 2018  
Phi Beta Kappa, 2017

# OTHER EMPLOYMENT

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## Block Renovation, NYC

*Data Science Intern*, February 2020 - July 2020

# OTHERS

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Programming Languages	R, Python, Julia, Java, SQL
Passed PhD qualifying Exams	Finance in Jan. 2023; Dyson Economics in June 2021.
Languages	Mandarin (native), English (fluent), Spanish (basic)

(Last updated: Sept 2, 2025)