

Shai Bernstein
Stanford Graduate School of Business
655 Knight Way, Stanford, CA 94305
shaib@stanford.edu
650-725-7266

ACADEMIC APPOINTMENTS

Associate Professor of Finance, Stanford GSB, 2016-present
Assistant Professor of Finance, Stanford GSB, 2012-2016

OTHER AFFILIATIONS

NBER Faculty Research Fellow (Corporate Finance), 2015-present
NBER Faculty Research Fellow (Productivity, Innovation and Entrepreneurship), 2015-present
SIEPR Faculty Fellow, 2016-present

EDUCATION

Ph.D., Business Economics, Harvard University, 2007-2012
M.A., Financial Economics, Hebrew University of Jerusalem, 2005 - 2007
B.A., Mathematics and Economics, Ben Gurion University, 2002 - 2005

JOURNAL PUBLICATIONS

- [1] Bernstein, Shai, Emanuele Colonnelli, Xavier Giroud, and Benjamin Iverson, 2018, “Bankruptcy Spillovers”, *Journal of Financial Economics*, Forthcoming.
- [2] Bernstein, Shai, Josh Lerner, and Filippo Mezzanotti, 2018, “Private Equity and Financial Fragility During the Crisis”, *Review of Financial Studies*, Forthcoming.
- [3] Bernstein, Shai, Emanuele Colonnelli, and Benjamin Iverson, 2017, “Asset Allocation in Bankruptcy”, *Journal of Finance*, Forthcoming.
- [4] Bernstein, Shai, Arthur Korteweg, and Kevin Laws, 2017, “Attracting Early Stage Investors: Evidence from a Randomized Field Experiment”, lead article *Journal of Finance*, 72(2): 609-538.
- [5] Bernstein, Shai, and Albert Sheen, 2016, “The Operational Consequences of Private Equity Buyouts: Evidence from the Restaurant Industry”, *Review of Financial Studies*, 29(9):2387-2418.
- [6] Bernstein, Shai, Xavier Giroud and Richard Townsend, 2016, “The Impact of Venture Capital Monitoring”, *Journal of Finance*, 71(4), 1591-1622.
- [7] Bernstein, Shai, Josh Lerner, Morten Sorensen and Per Stromberg, 2016, “Private Equity and Industry Performance”, *Management Science*, 63(4):1198-1213.

- [8] Bernstein, Shai, 2015, “Does Going Public Affect Innovation?”, *Journal of Finance*, 70(4): 1365-1403
Brattle Prize Winner (First Prize) for Best Paper in the Journal of Finance, 2015
- [9] Bernstein, Shai, Josh Lerner and Antoinette Schoar, 2013, “The Investment Strategies of Sovereign Wealth Funds”, *Journal of Economic Perspectives*, 27(2): 219-38.
- [10] Bernstein, Shai, and Eyal Winter, 2012, “Contracting with Heterogeneous Externalities”, *American Economic Journal: Microeconomics*, 4(2): 50-76.

WORKING PAPERS

Does Economic Insecurity Affect Employee Innovation?

with Timothy McQuade and Richard Townsend

Abstract. Do household wealth shocks affect employee output? We examine this question through the lens of technological innovation, by comparing employees that worked at the same firm and lived in the same metropolitan area, but experienced different housing wealth declines during the 2008 crisis. Following a housing wealth shock, employees are less likely to successfully pursue innovative projects, particularly ones that are high impact, exploratory, or complex in nature. The effects are more pronounced among employees with fewer outside labor market opportunities, and among employees who had little equity in their house before the crisis. In contrast, run-ups in housing prices before the crisis did not affect employee innovation. The results highlight a “bottom-up” view of innovation, wherein lower-level employees are important determinants of firm-level innovation.

Marginal Entrepreneurs

with Emanuele Colonnelli, Davide Malacrino and Tim McQuade

Abstract. New firms are a critical driver of job creation and economic growth. Using employer-employee matched data from Brazil, we study the characteristics of marginal entrepreneurs, those individuals who respond to local economic opportunities by starting new businesses. We exploit an identification strategy that links fluctuations in global commodity prices to municipality level agricultural endowments. Increases in global commodity prices lead to a significant new firm creation in affected municipalities. Within a municipality, marginal entrepreneurs are young, skilled, and have little accumulated wealth. Thus, they are likely flexible on the one hand but financially constrained. Consistent with this notion, we find that municipalities with better access to finance experience a larger entry to entrepreneurship of young and low wealth individuals when economic opportunities arise. This evidence sheds light on the mechanisms through which finance drives entrepreneurial activity when the economy expands.

WORK IN PROGRESS

Who funds start-ups? Evidence from tax records in Norway with Hans Hvide

Innovation hubs and Migration with Tim McQuade and Rebecca Diamond

TEACHING

Entrepreneurial Finance, FIN373, Stanford GSB (MBA), 2012-present

Empirical Methods in Corporate Finance, FIN630, Stanford GSB (PhD), 2013-present

HONORS, SCHOLARSHIPS, and FELLOWSHIPS

2015	Brattle Prize (First Prize) for Best Paper in the Journal of Finance, 2015 ("Does Going Public Affect Innovation?")
2014	Kauffman Foundation Junior Faculty Fellowship in Entrepreneurship
2011	Best paper award, Coller Institute, London Business School ("Does Going Public Affect Innovation?")
2010	Ewing Marion Kauffman Dissertation Fellowship
2007 - 2012	Doctoral Fellowship, Harvard Business School
2005 - 2006	Rector's Fellowship, Hebrew University of Jerusalem
2006	Dean's list, Hebrew University of Jerusalem