

Sahand Davani

PhD Candidate in Finance
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Research Interests

- Corporate Finance - Sustainable/ESG Investing - Climate Finance

Education

PhD Candidate in Management Sciences ESADE Business School, Ramon Llull University, Barcelona, Spain Specialisation: Finance	2022 - 2025 (Expected)
Visiting PhD Candidate Humboldt University, Berlin, Germany	2023 - 2024
Master of Research in Management Sciences ESADE Business School, Ramon Llull University, Barcelona, Spain	2021 - 2022
MBA Sharif University of Technology, Tehran, Iran Specialisation: Finance	2019 - 2021
MSc in Civil Engineering Sharif University of Technology, Tehran, Iran	2010 - 2012
BSc in Civil Engineering Sharif University of Technology, Tehran, Iran	2005 - 2010

Working Papers

The Effects of ESG Ratings on Firms' Financial Decisions

Abstract: This study examines the effects of ESG (Environmental, Social, and Governance) ratings on firms' financial decisions. Theoretical models predict that Socially Responsible Investing (SRI) positively impacts firms with high ESG performance by reducing the cost of capital for these firms, thereby providing them with better investment and growth opportunities. In this paper, I provide evidence that SRI can have a positive impact on firms with high ESG performance through another channel as well. In a regression discontinuity design, I show that firms with higher ESG ratings (high-ESG firms) have higher ownership by ESG institutional investors, have lower perceived cost of equity capital, and consequently, issue more net equity than net debt compared to similar firms with lower ESG ratings (low-ESG firms). These results imply that access to cheaper equity is another impact mechanism of SRI. Consistently, I find that high-ESG firms try to maintain their high ESG ratings at the current levels, while the ESG ratings of similar low-ESG firms decline.

(Accepted to be presented at the 2024 Doctoral Seminar at the Annual EFMA conference, 2024 FMA European Conference, PhD Mentoring Day at the 31st Finance Forum)

Optimal Non-financial Information Disclosure with Feedback Effect (with Ariadna Dumitrescu)

Awards and Honors

PhD Program Grant ESADE Business School, Barcelona, Spain	2023-2025
MRes Program Grant ESADE Business School, Barcelona, Spain	2022

Conferences

To Present:

Doctoral Seminar at the European Financial Management Association (EFMA) Conference Lisbon, Portugal	2024
PhD Mentoring Day at the 31st Finance Forum Tenerife, Spain	2024
Financial Management Association (FMA) European Conference Turin, Italy	2024

Attended:

European Finance Association (EFA) 49th Annual Meeting, Barcelona, Spain	2022
ESADE Spring Workshop (ESW) in Finance, Barcelona, Spain	2022
ESADE Spring Workshop (ESW) in Finance, Barcelona, Spain	2023

Teaching Experience

Financial Markets Teaching Assistant MSc in International Managmt, Prof. Anna Bayona Font ESADE Business School, Barcelona, Spain	2024
Financial Economics Teaching Assistant BSc Double Degree in Business Administration and Law, Prof. Ariadna Dumitrescu ESADE Business School, Barcelona, Spain	2024
Investments Teaching Assistant MSc Finance, Prof. Anna Bayona Font ESADE Business School, Barcelona, Spain	2023
Financial Economics Teaching Assistant BSc Double Degree in Business Administration and Law, Prof. Ariadna Dumitrescu ESADE Business School, Barcelona, Spain	2023

Certificates and Courses

Financial Economics of Climate and Sustainability Global Doctoral Course	2024
Finance and Product Markets: Theory, Evidence, Measurement Universita della Svizzera Italiana (https://sites.google.com/view/finance-product-markets/home)	2023
Project Management Professional (PMP) Project Management Institute - www.pmi.org	2018

References

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Max Bruche

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Finance Group
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