

Dear CEFS newsletter subscriber,
you will find two short descriptions of CEFS projects and a selection of CEFS news in this issue of our newsletter.
For complementary information, please visit our website at <http://www.cefs.de>.

CEFS welcomes Dr. Josef Ackermann at Speaker Series

Dr. Josef Ackermann, CEO of Deutsche Bank AG spoke on June 29th, 2009 at the CEFS Speaker Series. In a packed auditorium maximum, around 700 students and guests came to listen to one of the most influential people in today's financial world, speaking on 'Die Finanzkrise: Zeitenwende für Banken, Wirtschaft und Gesellschaft (The financial crisis: turn of an era for banks, economy and society)'.

Dr. Ackermann described vividly the development of the financial and economical crisis and the associated changes in the relationship of government and banks. He pointed out that the loss of people's confidence and trust in the financial system, had made government intervention indispensable. Mr. Ackermann concluded, that now the correct adjustments needed to be made in order to avoid future problems and deal with the current situation.



From left to right: Prof. Kaserer, Dr. Ackermann,
Prof. Achleitner

New CEFS project on listed family firms in Germany

CEFS currently conducts an extensive research project on listed family firms in Germany on behalf of Stiftung Familienunternehmen. Within this study the purpose is to identify family firms in the broadest German stock index CDAX® and to assess the family influence on firm performance. The project aims to highlight the importance of listed family firms in Germany and to enhance the visibility of this group of firms. Results will be presented in October 2009. Further information on the project partner Stiftung Familienunternehmen can be found [here](#).

News

Seehofer commission "Future of the Social Market Economy" hands over its final report

The commission "Future of the Social Market Economy" led by Bavaria's prime minister Seehofer (see Newsletter June 2009) handed in its final report. Therein they present concrete activities that can strengthen the idea of a social market economy. [Further information](#).

Report "Educating the Next Wave of Entrepreneurs" available in English

The World Economic Forum's Global Education Initiative (GEI) launched its report, "Educating the Next Wave of Entrepreneurs" in April 2009 (see Newsletter June 2009). Now the report is also available in English. [Further information](#).

Prof. Kaserer at hearing of the German financial committee on grey market regulations

Prof. Kaserer participated in the hearing of the German financial committee on the topic of grey market regulations. There is a strong need for rules that protect and guide investors in the so called grey capital market. Specialists in the field agree that regulations are needed. Prof. Kaserer pointed out that an obligatory personal liability insurance for financial broker would be favorable. [Further information](#).

News

Prof. Achleitner speaks on Social Entrepreneurship at Entrepreneurship-TV

Prof. Achleitner spoke on July 2nd, 2009 at Entrepreneurship-TV on the topic of Social Entrepreneurship. In the 30 minute interview, Prof. Achleitner explains what social entrepreneurship means how it can be taught and what she has learned from and about it. [To see the interview \(German\) click here and enter Achleitner or social as search item.](#)

Prof. Achleitner supports appeal for more entrepreneurship in social sectors



Die Mauer zwischen Sozialem und Wirtschaft muss weg.
Ein Aufruf für mehr Unternehmertum im Sozialen Sektor

Deutschland ist stolz auf unternehmerische Innovationen. Aber auch auf unsere sozialen Innovationen können wir stolz sein. Im Land der Ideen gründen immer mehr Menschen Organisationen, die gesellschaftliche Probleme mit neuen Ansätzen lösen. So machen sie zum Beispiel Schwächere und Benachteiligte zu starken Mitgliedern unserer Gesellschaft.

Diese Sozialunternehmer (oder Social Entrepreneurs) arbeiten unternehmerisch für gesellschaftliche Ziele. Dabei sind sie heute schon Vorbilder für Organisationen der Zivilgesellschaft. Ihre Geschäftsmodelle maximieren den sozialen Nutzen, unterscheiden sich aber nach dem Grad der Kostendeckung durch eigene Umsätze:

Viele Sozialunternehmer maximieren unternehmerisch die Wirkung von Spenden oder staatlichen Fördermitteln, indem sie zum Beispiel ihre Zielgruppen statt zu Leistungsempfängern selbst zu Problemlösern machen, Freiwillige und Sachmittel einwerben und damit nachhaltig wirtschaften.

Andere Sozialunternehmer können Teile ihrer Mittel selbst erwirtschaften und ergänzen die eigenen Erlöse mit Spenden oder Fördergeldern.

Einige Organisationen arbeiten vollständig als selbstfinanzierende Social Businesses. Diese Organisationen erwirtschaften ihre Kosten selbst, erzielen für ihre Eigentümer anstelle einer monetären eine soziale Rendite und reinvestieren ihre Profite vollständig. Sie machen aus einem gesellschaftlichen Anliegen ein Geschäftsmodell - wie zum Beispiel die von Friedensnobelpreisträger Muhammad Yunus gegründete Grameen-Bank mit Mikrokrediten.

Aus diesen Einzelbeispielen entsteht eine breite Bewegung von Menschen, die Probleme anpacken und sie lösen, statt auf Hilfe von oben zu warten. Wir wollen unser Land von unten nach oben reformieren. Denn es gibt nichts Wirksameres als gute Ideen in den Händen unternehmerisch denkender Menschen. Dafür arbeiten wir gemeinsam daran, zwanzig Jahre nach der deutschen Einheit die nächste Mauer zu überwinden – die zwischen Unternehmertum und Gemeinnützigkeit!

Prof. Achleitner is one of the supporters of a large appeal for a breakdown of the wall between entrepreneurship and social work. It is broadly recognized that Germany is a country of innovation and entrepreneurship. Yet there still is a gap in the recognition of many social initiatives as part of the innovative, future oriented and economically strong society of entrepreneurs.

[Click here for the internet pdf version of the appeal.](#)



Felix Oldenburg, Berlin
Ashoka fördert weltweit 2000 führende Social Entrepreneurs und arbeitet in 60 Ländern an gesellschaftlichen Innovationen.



Peter Spiegel, Berlin
Das Genisis Institute schafft als Think-and-Do-Tank eine gesellschaftliche Bewegung für Social Business.



Hans Reitz, Wiesbaden
Das Grameen Creative Lab baut nach dem Grameen-Prinzip Märkte und Kooperationen für die Armen der Welt.



Mirjam Schöning, Genf
Die Schwab Stiftung verbindet ausgezeichnete Social Entrepreneurs mit führenden Vertretern aus Wirtschaft und Politik.



Prof. Dr. Dr. Ann-Kristin Achleitner
Der KfW-Stiftungslehrstuhl für Entrepreneurial Finance forscht zu sozialen Investitionen, Innovation und Social Entrepreneurship.



Prof. Dr. Stephan Breidenbach, Berlin
Die Humboldt-Viadrina School of Governance integriert wissenschaftliche Disziplinen und praktische Erkenntnisse in konkrete Lösungen.

Awards and Scholarships

CEFS Paper receives Best Paper Prize at 7th International Conference on Corporate Governance

CEFS is delighted to announce that Ann-Kristin Achleitner, André Betzer and Bastian Hinterramskogler won the best paper prize for "Private Equity Investors as Corporate Governance Mechanism in Continental Europe" at the 7th International Conference on Corporate Governance (Birmingham Business School). The paper, presented by Bastian Hinterramskogler, was selected out of 36 accepted articles. The prize was awarded by Sir Adrian Cadbury who has been responsible for the development of the Cadbury Code which served as a basis for corporate governance reforms around the world. The picture on the right shows Sir Adrian Cadbury and Bastian Hinterramskogler after the handing over of the prize.

For [more information](#) click here. The paper can be downloaded [here](#).



CEFS Paper receives "Highly commended" Paper Prize at 7th International Conference on Corporate Governance

CEFS is delighted to announce that also another paper was distinguished at the 7th International Conference on Corporate Governance. The paper 'Stock-based Incentives: Design and Implications for Firm Performance' by Marc Steffen Rapp, Philipp Schaller (CEFS) and Michael Wolff (TH Karlsruhe) was honored as "highly commended".

For [more information](#) click here. The paper can be downloaded [here](#).

Best Paper Award for the paper "Reporting in Social Entrepreneurship"

On the occasion of the Conference "Social Entrepreneurship: Status Quo 2009 (Selbst)Bild, Wirkung und Zukunftsverantwortung" on July 16th and 17th 2009 in Berlin, the award for the best paper was given to the paper entitled "Ein Reporting Standard für Social Entrepreneurs", written by Prof. Dr. Dr. Ann-Kristin Achleitner (Technical University Munich), Prof. Dr. Alexander Bassen, (University of Hamburg), Barbara Roder (Technical University Munich) and Lena Lütjens (Ashoka Deutschland gGmbH). The award jury consisted of Prof. Johanna Mair, Ph.D., IESE University of Navarra, and Prof. Dr. Konrad Ott, University of Greifswald. The paper will be published in the December Issue of "Ökologisches Wirtschaften".

The paper can be downloaded at SSRN http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1325700.

CEFS member Svenja Jarchow receives scholarship prolongation

The funding through the 'Presidential Science and Engineering Fellowship' by TU München's Karl Max von Baurenfeind-Verein and president Herrmann for CEFS member Svenja Jarchow was prolonged for a year. Mrs. Jarchow will be able to finish her interdisciplinary PhD-project at CEFS within that year. The scholarship supports especially interdisciplinary projects by students that have - besides outstanding academic success - rendered outstanding services to the TU München and or are young academics that raise a child. Since Mrs. Jarchow fulfills all criteria, her application for prolongation was granted.

CEFS member Eva Kasper receives "Management Engineers Presidential Award of Science & Engineering"

Eva Kasper receives scholarship funding for her doctoral thesis from the consulting company Management Engineers. Ms. Kasper will focus her research on private equity financing of infrastructure projects.

Publications

ZfB publishes paper on “Angels or Demons? Evidence on the Impact of Private Equity Firms on Employment”

The so-called locust debate has become very intense and is fostered by irrational fear since a prominent statement by leading social democrat Franz Münteferig in 2005. Widely people see private equity firms as those that make high returns through brutal methods and at the expense of company employees. In their article, “Angels or Demons? Evidence on the Impact of Private Equity Firms on Employment”, Eva Lutz (formerly Nathusius) and Ann-Kristin Achleitner take a closer look at these accusations by surveying 49 studies that focus on the potential employment effects of private equity financing. The analysis of similarities and differences of the studies reveals manifold consequences of private equity on employment with the impact varying across different employment indicators and between geographies. Summarizing, it is not possible to label private equity firms either positively or negatively – as “angels” or “demons” – as this would not take account of their complex and heterogeneous effects on employees post-buyout.

<http://www.zfb-online.de/>

CEFS paper on valuation of platform technology based entrepreneurial ventures forthcoming in IJEV

We are happy to announce that the CEFS paper 'Quantitative valuation of platform technology based entrepreneurial ventures' by Ann-Kristin Achleitner, Eva Nathusius (now Lutz) and Stephanie Schraml was accepted for publication in the International Journal of Entrepreneurial Venturing (IJEV). It is forthcoming in Volume 1 (2009) - Issue 4 of the journal. By developing and applying a systematic map of valuation requirements, the paper analyzes whether the cost, market, discounted cash flow or real option approach is suitable to value platform technology based entrepreneurial ventures.

Günther / Gegenfurtner / Kaserer / Achleitner: 'Drivers of Earnings Quality in a Bank-Based Economy: Evidence from Voluntary vs. Mandatory IFRS Adoption in Germany'

According to EC regulation 1606/2002 companies in the European Economic Area are obliged to release their consolidated financial statements under International Financial Reporting Standards (IFRS) for fiscal years starting from January 1st 2005 onwards. However, some companies adopted IFRS on a voluntary basis before EC regulation became effective. This is especially true in the case of German firms. The paper deals with the question why these firms had an incentive to choose IFRS on a voluntary basis and how these incentives relate to earnings quality. Using a unique dataset of German listed firms we confirm and extend previous evidence that earnings quality improved for voluntary but not for mandatory IFRS adopters. This is consistent with previous studies that suggest that earnings quality is not driven by standards per se but also by incentives. One of the incentives identified in this paper is the aim of insiders to reduce their stake and to therefore overcome information asymmetries through improved earnings quality under IFRS.

The paper is available at ssrn http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1413145.

Achleitner / Braun / Schraml / Welter: 'Goal Structures in Family Firms: Empirical Evidence on the Relationship between Firm and Family Goals'

Goal structures in family firms seems of particular interest to the field as the overall orientation and the objectives of family firms are determined in an area of potential conflict between the two subsystems of firm and family. We asked shareholders of German family firms to rate the importance of certain goals in the organization's management. By doing a principal component analysis on the ratings given, we identified four central categories of goals that permit a much more detailed analysis than would a simple differentiation between family-related and firm-related goals. The differences among organizations in the identified dimensions of short-term and long-term family goals, as well as growth- and value-orientated firm goals are then assessed in more detail. Among other aspects, we found the existence of an advisory board to be the strongest driver of goal preferences along these dimensions. Theoretically, our findings indicate that, depending on family firm characteristics, agency and stewardship theory are both useful in explaining the goals of the relevant systems of family and firm.

The paper is available at ssrn http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1411655.

Publications

Pietz: 'Risk Premia in the German Electricity Futures Market'

The mechanism behind price formation in electricity futures markets is still under discussion. Theory suggests that hedging pressure caused by deviating risk preferences is the most promising approach. This paper contributes to this discussion through an empirical investigation of electricity futures for delivery in Germany traded at the European Energy Exchange (EEX). We analyse the futures prices from an ex post perspective and show that there is evidence for significant positive risk premia at the short-end. Furthermore, we find that risk premia show a term structure. Evidence for the existence of seasonality in the risk premia is found as well. When testing for factors influencing the risk premia the results suggest that risk premia are directly related to factors linked to risk considerations.

Conference Contributions

Two academic papers accepted for NYU Stern 6th Annual Satter Conference on Social Entrepreneurship

We are happy to announce that two academic papers have been accepted for the upcoming New York University - Stern Business School - 6th Annual Satter Conference on Social Entrepreneurship.

The papers that will be presented are "Selection Criteria of Venture Philanthropy Funds" by Prof. Dr. Dr. Ann-Kristin Achleitner and Dipl.-Volksw. Peter Heister and "Reporting in Social Entrepreneurship" by Prof. Dr. Dr. Ann-Kristin Achleitner, Prof. Dr. Alexander Bassen and Dipl.-Kffr. Barbara Roder. The 6th Annual Satter Conference on Social Entrepreneurship will take place on November 4-6, 2009. The aim is to bring together scholars in social entrepreneurship to discuss emerging concepts and themes in social entrepreneurship research. Keynote speakers this year include William Baumol, Paul Light, Sharon Alvarez, Tom Lumpkin, and Phil Phan.

[Further information](#)

CEFS paper accepted at 6th accounting research workshop in Berne

The above mentioned paper on 'Drivers of Earnings Quality in a Bank-Based Economy' by **Günther / Gegenfurtner / Kaserer / Achleitner** was accepted at the well renowned conference in Berne.

CEFS paper accepted at 10th Workshop on Corporate Governance in Copenhagen

The paper 'Family preferences and payout policy decisions: Are there differences between family ownership and management?' by Ampenberger / Schmid / Achleitner / Kaserer has been accepted for presentation at the Copenhagen Business School in October 2009.

Two CEFS paper presented at European Finance Association in Bergen

The paper 'Capital structure decisions in family firms - an empirical evidence from a bank-based economy' by Ampenberger / Schmid / Achleitner and Kaserer was presented by Markus Ampenberger. The paper had been selected as one of 216 papers out of more than 1,200 submission.

The paper 'Estimating the Equity Premium from CDS-Spread' by Berg / Kaserer was also presented and perceived with much interested at the conference.

CEFS paper presented at the Annual Meeting of American Accounting Association in New York

The paper 'The impact of managerial ownership, monitoring and accounting standard choice on accrual mispricing' by Gegenfurtner / Ampenberger / Kaserer was presented in August by Markus Ampenberger.

CEFS Speaker Series Announcements

Martin Halusa, CEO of Apax Partners, comes to speak at the CEFS Speaker Series November 26th, 2009

On November 26th CEFS is happy to announce that Mr. Martin Halusa, CEO of the private equity advisory firm Apax Partners, will come to speak at the CEFS Speaker Series.

New CEFS Members



We welcome **Carolin Bock** as new lecturer at the CEFS. Carolin holds a diploma in International Business Administration from the University of Erlangen-Nuremberg and a M.Sc. of the Ecole de Management de Lyon. Prior to joining CEFS, she worked as scientific assistant at the Chair of Business Taxation at the University of Erlangen-Nuremberg while doing her doctorate.

We also welcome **Christian Figge** (right) as new CEFS member. Prior to joining CEFS, Christian Figge worked on a number of international M&A transactions at BC Partners, a leading private equity firm. He started his career at L.E.K. Consulting and holds a degree in Economics and Management from Oxford University.



We welcome **Uwe Reiner** (left) as new scientific assistant at the CEFS. Uwe holds a Bachelor in Business Administration and Master in Accounting and Finance from University of St.Gallen. Prior to joining CEFS, he worked in the London office of Morgan Stanley where he was involved in a wide range of capital market transactions. We are very happy that Uwe came to join our team.

CEFS e.V.

In 2008, the CEFS e.V. was founded to ensure a better promotion of CEFS's young scientists, The goal of this nonprofit e.V. is to help CEFS's young scientists with small research funds and scholarships during the development, presentation and publication of their research work.

CEFS is interested in developing long-term partnerships with friends and patrons of the CEFS e.V.. CEFS can offer e.g. project studies to find hands-on solutions in co-work with dedicated students of the TUM economics studies, guest lectures within our study program as well as workshops together with the sponsor. Friends and patrons are also invited to the CEFS Speaker Series, which can offer a great variety of highly renown international speakers (such as David Swensen, Stephen Schwarzman or Dr. Josef Ackermann).

We thank you for your support!

Donations can be made to: CEFS Förderverein e.V., Kontonr.: 0508227400, BLZ: 70080000 (Dresdner Bank).

For further questions, please contact: spenden@cefs.de or +49-(0)89-289-25440