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Academic Work Experience

The Hong Kong Polytechnic University
School of Accounting and Finance
Research Assistant Professor

2023 – Current, Hong Kong

Education

Ph.D. Business, National University of Singapore	2022
LL.M. Master of International Law, Reichman University	2015
LL.B. Bachelor of Laws (Cum Laude), Reichman University	2014

Research Interests

Disclosure Choices, Entrepreneurship, Entrepreneurial Finance, Randomized Controlled Trials, Field Experiments, Correspondence Experiments, Financial Accounting

Publications

1. Gefen, O., Reeb, D. & Sulaeman, J. **Startups' demand for accounting expertise: Evidence from a Randomized Field Experiment.** *Review of Accounting Studies* (2023).

Working Papers

2. **Gender Dynamics in Startup Investor Selection: Exposing Unseen Biases** with David Reeb and Johan Sulaeman
Status: R&R at the Academy Management Journal

Academic and practitioner reports highlight gender inequalities embedded in the startup environment, with investor narratives alluding to startups sidelining female investors. Our study extends role incongruity theory to investigate influential women's advising and supporting roles. Leveraging the surge in outbound origination, we test three hypotheses concerning startup investor selection in a national field experiment involving 40,572 startups. Our results indicate a pronounced preference for male investors, with unsolicited emails from fictitious male investors receiving significantly

more attention from startups than identical communications from fictitious female investors. The propensity to visit the male investor's website and the likelihood of subsequent, direct communications were also higher. Consistent with role incongruity theory, professional credentials increase the likelihood of a male investor's email being read but, conversely, decrease the corresponding likelihood of a female investor's email being read. Moreover, the data support a parsimonious interpretation of the myriad narratives of "bro cultures" within tech hubs. Rather than acting as mechanisms reinforcing bias, these tech hubs serve as the proverbial canaries in the coal mine, revealing startup preferences that favor male investors on a national scale. Our research concludes that significant potential gender discrimination goes unrecorded and unnoticed, occurring primarily in the initial contact phase.

3. **Green or Greed? Revealing Startups' Funding Preferences** with David Reeb, Johan Sulaeman, and Rachel Zhang
Status: Preparing for submission at top-tier Accounting journals

Startups often operate within informationally opaque environments, potentially allowing them to engage in extensive greenwashing. Alternatively, entrepreneurs may indeed possess the green preferences they often advocate. We investigate whether founders value investors' environmental stances over funding needs through a randomized field experiment with technology-based startups in the United States. Our findings show that startups prefer green investors, with a 50% increase in response rates over neutral investors. In contrast, non-sustainable investors experience lower response rates than their neutral counterparts. Additional tests reveal startups' preference for green investors may be superficial, as they avoid green funds that show commitment to sustainable investing and monitor their portfolio firms via a mission statement. When faced with monitoring green funds, startups primarily prioritize funding and support, often leading them to prefer neutral investors that emphasize support and guidance in their mission statements. However, as a mark of its past success, a fund's track record overrides this aversion for green monitoring, indicating that founders find green monitoring palatable when coming from successful sustainable funds. Finally, startups identified as ESG oriented in their self-description show a stronger preference for green investors and a greater distaste for non-sustainable investors, suggesting that their actions align more closely with their stated values. This study contributes to understanding the complex decision-making processes of startups in funding sources and the role of environmental considerations in promoting sustainable growth and success.

4. **Two-sided Discrimination in an Entrepreneurial Financing Setting: Experimental and Theoretical Evidence** with Junlong Feng, Ye Zhang, and Weijie Zhong
Status: Preparing for submission at top-tier Econ journals

Women's participation rate in the high-growth entrepreneurship has been consistently lower than in other high-skilled jobs for previous decades. This paper aims to explain this unique persistent gender gap in both the US venture capital industry and the US entrepreneurial activities from the point of view of gender discrimination on both sides of a two-sided matching market (i.e., the US entrepreneurial financing market). We invite real US startup

founders to evaluate multiple randomly generated venture capitalists' and angel investors' profiles. Despite knowing all investor profiles are hypothetical, startup founders are willing to provide truthful evaluations to receive a data-driven investor recommendation list. This experiment provides the following findings. (i) Male entrepreneurs have implicit gender discrimination against female investors, who are perceived as lower quality and with fewer investment intentions. However, gender discrimination does not exist among female entrepreneurs. (ii) Implicit gender discrimination mainly exists among attractive investors and senior investors, suggesting the existence of a glass ceiling for women in the financial industry. (iii) The magnitude of implicit gender discrimination is stronger when startup founders' internal thresholds are higher, and investors need to compete for great deals. Together with Zhang (2020), this paper completes an experimental system that identifies gender discrimination on both the investor side and startup side in the US entrepreneurial finance system. Built on this experimental evidences, we provide a theoretical framework to explain several novel findings in recent experiments and how this two-sided gender discrimination can lead to a long-lasting low participation rate for women in the US entrepreneurial community.

5. **Decoding Startup Culture: The Revealing Power of Voluntary Disclosures** with David Reeb, Johan Sulaeman, and Rachel Zhang
Status: Preparing for submission at top-tier strategy journals

In our exploration of the relevance of voluntary disclosures in understanding startup culture, we focus on the role of racial preferences in a startup's responses to funding opportunities. The first segment of our study investigates whether startups display racial preferences when approached by potential investors. Due to capital constraints, startups may prioritize financial opportunities and, therefore do not exhibit any racial preferences that they may inherently hold. Conversely, racial preferences may be deeply ingrained in a startup's practices and norms, influencing their responses to investors. The second segment of our study delves into whether voluntary disclosures can serve as indicators of a startup's racial preferences. We are particularly interested in discerning whether verified and unverified disclosures offer distinct insights into the startup's culture. The third segment of our research examines racial preferences in startups with solo founders versus team-founded startups, investigating the relevance of disclosures in uncovering these preferences.

We conducted a randomized field experiment involving 14,308 technology startups. The results indicate significant racial preferences against Black and Asian potential investors among the startups. We also observe that racial prejudice is less pronounced in high-disclosure startups, with verified disclosures characterizing firms with the least racial preferences. Furthermore, team-founded startups exhibit weaker racial preferences than solo-founded startups, with even weaker preferences for those with verified disclosures. Based on our findings, we conclude that voluntary disclosures, particularly verified ones, can serve as valuable tools for outsiders to identify startups with healthier corporate cultures.

6. **Confidential Advertising Expenditures** with Po-Hsuan Hsu, Hsiao-Hui Lee, Hunghua Pan, and David Reeb
Status: Under Review at a top-tier accounting journal

Over 14% of firms without reported advertising expenditures spend at least 5% of pre-tax income on it. We investigate whether managers keep these advertising expenditures confidential to protect shareholders from competitors and whether soft disclosure methods (conference calls) are used to minimize this information gap. We find that firms with the most unproven CEOs are the likeliest to keep advertising expenditures confidential. Confidential-expenditure firms exhibit lower price-to-book equity ratios and Tobin's Q than other firms. Financial analysts have higher forecast dispersions for confidential-expenditure firms than transparent firms. Inconsistent with immateriality arguments, financial analysts ask managers of confidential-expenditure firms more advertising-related questions during conference calls than reporting firms. Yet, executives of confidential-expenditure firms provide sparser answers about these expenditures than their reporting peers.

We also investigate the impact of a regulatory shock, Financial Reporting Release 44, that increased the number of confidential-expenditure firms. These newly minted confidential-expenditure firms had higher analysts' forecast dispersion following this disclosure choice. Insider trading increased in firms that became confidential-expenditure firms after the regulatory shock. Our results are inconsistent with the hypothesis that shareholders benefit from keeping advertising expenditures confidential.

Work in Progress

7. **Desirability of Foreignness in Developing Economies: Evidence from the Field**
with David Reeb Andrew Delios Hunghua Pan and Johan Sulaeman
Status: Preparing a first draft
PolyU's IRB board approves the project under HSEARS20230816001
8. **Desirability of Foreignness: Evidence from an International Field Experiment on Startup Financing** with David Reeb Andrew Delios Hunghua Pan and Johan Sulaeman
Status: Preparing a first draft
PolyU's IRB board approves the project under HSEARS20230816001

Presentations (either by myself or a co-author)

2024: PolyU School of Accounting and Finance, Academy of Finance 37th conference, ABFER*2, Copenhagen Business School

2023: The Law & Finance of Private Equity and Venture Capital, National Taiwan University, EAA, Disclosure, Information Sharing and Secrecy workshop, PolyU, CityU, Aalborg University Business School, Tilburg School of Economics and Management, Copenhagen Business School

2022: National Central University, National Chungchi University

2021: University of Texas at San Antonio, BizWip, National University of Singapore

2020: National University of Singapore

Teaching Experience

Program: PolyU School of Accounting and Finance, BBA

Supervisor and Instructor, AF4912: 'Capstone Project,' Spring 2023 (ongoing).
Supervising 32 students for their undergraduate thesis under the ESG section, covering research design and empirical methods.

Program: NUS Business School, BBA

Instructor, FIN2704: Corporate Finance, for Jumana Zahalka, Spring 2020
Taught three tutorial groups, with a combined weighted teaching evaluation of 4.26/5
Nominated for a teaching award by 26% of respondents

Non-Academic Work Experience

Oliver Wyman Management Consultant	2022 – 2023, Singapore
Herzog Fox Neeman Law Firm Articled Clerk in the High-Tech and Corporate law Departments	2014 – 2015, Israel
Israel Defense Force Infantry soldier, First Sergeant (Purple Berets Brigade)	2006 – 2009, Israel

Fellowships, Honors, and Awards

PolyU Start-Up Grant HKD 250,000	2023 – 2025
NUS Graduate Research Scholarship	2016 – 2022
LL.M. Merit Scholarship for Academic Excellence	2013 – 2015
LL.B. Merit Scholarship for Academic Excellence	2010 – 2014

References

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Johan Sulaeman Dean's Chair and an Associate Professor Department of Finance at the NUS Business School	sulaeman@nus.edu.sg +65 8430 3270
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