

PROMOTION RECOMMENDATION

The University of Michigan
Stephen M. Ross School of Business

Amy Dittmar, assistant professor of finance, Stephen M. Ross School of Business, is recommended for promotion to associate professor of finance, with tenure, Stephen M. Ross School of Business.

Academic Degrees

PhD	2000	Finance, University of North Carolina, Chapel Hill
BS	1992	Finance and Business Economics, Indiana University

Professional Record:

2003-Present	University of Michigan, Stephen M. Ross School of Business Assistant Professor of Finance
1999-2003	Indiana University, Kelley School of Business Assistant Professor of Finance

Summary of Evaluation:

Teaching: Professor Dittmar teaches in the MBA and PhD programs. She has taught the core finance course and an MBA elective. While she held an assistant professor appointment for four years prior to joining us, teaching MBAs was new to her. This required some adjustment for her over her first couple of years at the School, and since has become “Exhibit A” in the case for school provision of help in developing teaching skills and the potential for dramatic improvement given an instructor’s willingness to invest. In the words of her teaching statement, through this intervention and investment, she “gained confidence and found a teaching style that works well for me.” She is now an excellent teacher in extremely important courses, regularly receiving teaching evaluations in the range of 4.7- 4.8 on a 5-point scale.

Research: Professor Dittmar’s research focuses on corporate finance. She is noted for having an eye for interesting, important, contemporary topics. She provides empirical insights on topical issues in corporate finance through careful analysis. The results provide stylized facts that have been the starting points for many theorists. In fact, she has established a name for herself as an expert in an important area of finance. Since her PhD she has published 10 papers, five of these are in the “top three” finance journals. Moreover she has been visible in the profession by having her papers accepted at several leading finance conferences. She has been a finalist for the Brattle Prize for best paper in corporate finance in the *Journal of Finance*. She also was awarded a best paper award at the 2007 meetings of the European Finance Association for her work on why firms use private equity to opt out of public markets. Commentators, both internal and external, while generally very enthusiastic about her work, do vary some in their views. The vast majority express enthusiasm for the contribution of the body of work overall; while the several less enthusiastic explain their view by their perception of the lack of a truly path-breaking individual piece.

Recent and Significant Publications:

Bharath S., Dittmar A. Why do firms use private equity to opt out of public markets? *Review of Financial Studies* (conditionally accepted), 2008.

Dittmar A., Dittmar, R. The timing of finance decisions: An examination of the correlation in financing waves. *Journal of Financial Economics*, 90, 59-83, 2008.

Dittmar, A., Thakor A. Why do firms issue equity? *The Journal of Finance*, Vol LXII, No. 1, 1-54, 2007.

Dittmar, A., Mahrt-Smith, J. Corporate governance and the value of cash holdings. *Journal of Financial Economics* 83, 599-634, 2007.

Brown, K., Dittmar, A., Servaes, H. Corporate governance, incentives, and industry consolidations. *Review of Financial Studies*, 18, 241-270, 2005.

Dittmar, A. Capital structure in corporate spin-offs. *The Journal of Business*, 73(3), 9-43, 2004.

Service: Professor Dittmar has provided considerable service to the finance area, school, and profession. She has been actively involved in the intellectual life of the finance area—attending and presenting her work at colloquia and for several years acting to organize the annual Mitsui Symposium (research conference). Moreover, she has chaired the junior faculty recruiting committee. She is a steadfast attendee at Ross School student events and has worked with student members of the Finance Club to help them prepare for recruiting and interview events. She has also become a visible presence at finance venues including making presentations to the Alumni Club in Chicago and to Women and Investment Bankers at the Ross School. Professor Dittmar is a referee for numerous journals within her field. We expect her to play an ever greater leadership role in the area as a tenured professor.

External Reviewers:

Reviewer (A): “I think that Amy is at her best in the descriptive work that takes an agnostic view at a particular decision. Her first paper on the repurchase decision and her most recent paper on the decision to go private carefully lays out a menu of theoretical considerations for an important firm decision, and then looks for patterns in the data to separate the stories. These papers come to reasonable and convincing conclusions on the motivations, though the paper on going private transactions perhaps overstates the relevance of this data set for understanding the decision to go public in the first place. I am not in a position to evaluate her teaching, but I can say that she presents well, and would make a very good colleague.”

Reviewer (B): “Amy has made important contributions in the area of corporate share repurchases and cash management. In neither case was Amy’s work the seminal research in the area, however, in both cases her work is solid and has helped to extend our knowledge about these areas of growing importance. Overall, my opinion is that the quantity and quality of Amy Dittmar’s research places her solidly among the top empirical corporate finance scholars of her peer group, and I think that her record easily justifies tenure.”

Reviewer (C): “The two papers on which I will comment are ‘Corporate governance and the value of cash holdings,’ ...and ‘Why Do Firms Use Private Equity To Opt Out Of Public Markets?’ ...These papers seem to me typical of Ms. Dittmar’s work in that they try to answer an important question with careful new empirical work based on existing theory. To summarize, based only on my reading of these two papers, I would say that Ms. Dittmar is a good candidate for tenured associate professor at Michigan.”

Reviewer (D): “Amy is among a handful of leading researchers in the ‘traditional’ corporate finance subfield covering capital structure, fundraising, and other balance sheet issues. Among her contemporaries who do empirical work in this area, I would rank her near the top of the group: of all the researchers in empirical corporate finance from the PhD class of 2000, I would rank another first and then

I would put Amy in the second group...Everyone else is weaker, including some folks tenured at good places. In short, this should be an easy decision to give her tenure.”

Reviewer (E): “I have read a number of the papers in Professor Dittmar’s considerable portfolio, but I have not seen her teach. So this evaluation is based primarily on research, though her teaching evaluations do not suggest any prima facie cause for concern there. To summarize my recommendation, I believe Amy has a good case for tenure. Amy has a number of papers in top journals. Her output rate is moderate (14 papers and working papers in 9 years since her first appointment) but is consistent with the data-intensive nature of her work. She is reasonably well-cited. All this points towards promotion.”

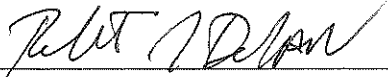
Reviewer (F): “As you can see, Dittmar’s citation count puts her right at the median of this group of extremely successful finance professors. All ten of the comparison group are already tenured, and three are already full professors. Based on the influence of her research, Amy Dittmar is clearly qualified for tenure at a top business school. In any case, I enthusiastically recommend promoting Amy Dittmar to tenured associate professor.”

Reviewer (G): “All of Amy’s papers have been in the area of empirical corporate finance and several of them have already had a significant impact on our profession. While I have no direct evidence on her teaching or service, I note from her vita that she seems to receive high ratings from students and she seems to have been actively involved with many different PhD students. I have heard directly from one who we tried to hire last year, that Amy was a valuable advisor in her professional development. Amy Dittmar is a productive [junior] scholar who is an important part of the faculty. Thus, I think she deserves promotion to associate professor with tenure at Michigan.”

Summary of Recommendation:

The outside reviewers’ comments and the placement of her work in the top journals in the field attest to the fact that Professor Dittmar is a productive, highly qualified scholar. Her research is of excellent quality. She adds considerable value to the finance area’s research portfolio, as well as the overall reputation of the Ross School of Business and the University of Michigan. We admire and appreciate the great success she has had in improving her teaching skills to the point that, over the past three years, she has been among our best.

With this in mind, the Executive Committee and I strongly recommend Professor Amy Dittmar’s promotion to associate professor of finance, with tenure.



Robert J. Dolan, Dean
Stephen M. Ross School of Business

May 2009