

# Len Lundstrum, Ph.D., FRM

Professor of Finance  
Department of Finance  
College of Business  
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## Education

Indiana University	Finance Minor: Mathematics Minor: Econometrics	Ph.D.	2000
University of Illinois at Urbana-Champaign	Finance	M.S.	1994
Northern Illinois University	Finance and Accounting	B.S.	1989

## Professional Credentials

F.R.M., (*Financial Risk Manager*) Global Association of Risk Professionals.  
C.F.A. Candidate, CFA Institute. Passed level 1 examination.

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## Academic Experience

<b>Northern Illinois University</b> Professor	2015-present
Associate Professor	2007-2015
<b>North Carolina State University</b> Assistant Professor	2000-2007
Lecturer (convertible to Assistant Professor)	1999-2000
<b>Indiana University, Bloomington</b> Associate Instructor & Lecturer	1996, 1998
<b>University of Illinois at Urbana-Champaign</b> Lecturer	Summer 1993
Led Executive MBA exam review sessions	

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## Publications in Refereed Journals

“The firm, the market, and the rising finance professional,” forthcoming, *Journal of the Academy of Business Education*.

“Option Listing: Market Quality Revisited,” 2016, *Review of Quantitative Finance and Accounting* 47, 565-578.

“A simple structure to teach how a board’s risk management policy is implemented,” 2014, *Journal of Financial Education* 40, 137-151.

“What Do Dividend Reductions Signal?,” 2010, *Journal of Corporate Finance* 16, 736-737. (joint with Gerald R. Jensen and Robert E. Miller)

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## Publications in Refereed Journals (continued)

“Costly Trade, Managerial Myopia, and Long-Term Investment,” 2009, *Journal of Empirical Finance* 16, 126-135. (joint with Craig W. Holden)

“Is ‘Sell in May and Go Away’ a Valid Strategy for U.S. Equity Allocation?,” 2009, *Journal of Wealth Management* 12, 104-112. (joint with Charles P. Jones)

“Entrenched Management, capital structure changes and firm value,” 2009, *Journal of Economics and Finance* 33, 161-175.

“LEAPS introductions and the Value of the Underlying Stocks,” 2006, *Journal of Financial Intermediation* 15, 494-510. (joint with Mark D. Walker)

“Forecasting Stock Returns: the Relative Importance of Valuation Variables,” 2006, *Journal of Wealth Management* 9, 31-36. (joint with Charles P. Jones)

“Firm Value, information problems and the internal capital market,” 2003, *Review of Quantitative Finance and Accounting* 21, 141-156.

“Corporate investment myopia: a horserace of the theories,” 2002, *Journal of Corporate Finance* 8, 353-371.

“Estimating Stock Returns: should investors expect less in the future?,” 2002, *Journal of Portfolio Management* 29, 40-50. (joint with Charles P. Jones and Jack W. Wilson)

“Stochastic properties of time-averaged financial data: explanation and empirical demonstration using monthly stock price,” 2001, *Financial Review* 38, 175-190. (joint with Charles P. Jones and Jack W. Wilson)

“The diversified firm’s valuable internal capital market,” 2000, *Corporate Finance Review* 5, 23-31.

“Meeting fixed income learning objectives: An efficient tool for teaching bond price and duration calculations,” 2000, *Journal of Financial Education* 26, 60-68. (joint with Charles P. Jones and Jack W. Wilson)

## Working Papers

“Optimal International Portfolio Diversification: adding Emerging Market Currency Deposit Funds.”

## Research Paper Award: *Citation of Excellence*, 2002, Emerald Management Review

Recognized as one of the top 50 papers of the 1,000s of papers published in management journals in 2002. “Estimating Stock Returns: should investors expect less in the future?,” 2002, *Journal of Portfolio Management* 29. (with Charles P. Jones and Jack W. Wilson)

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## Courses Taught

International Business Finance	Risk Management
Derivatives	Corporate Finance
Investment Analysis	Applied Financial Engineering
Financial Analysis	International Finance
Fundamentals of Financial Mgt.	Investments and Portfolio Management
Commercial Bank Management	Seminar in Financial Institution Mgt.

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## Program Building and Development--Service

Ad-Hoc Committee to design and develop a “M.S. FRM” graduate program, 2011-2013  
*Masters in Financial Risk Management* program rolled out Fall, 2016.

Ad-Hoc Committee to design a MBA “Finance Certificate,” 2013.  
Rolled out Spring 2014.

Ad-Hoc Committee to design a “Quantitative Finance for Scientists and Engineers,”  
2016-17. Approved by College Curriculum Committee, May 2017.

## Development of curriculum and related assessment program--Service

Graduate Faculty Council 2015-2016 for the MBA program

## Collaboration with Business Community to enhance program outcomes

Collaboration with a bank on development of a “Commercial Bank Management” course.

## External Engagement with the Business Community--Service

Moderator, Graduate Symposium	<i>“Issues in Banking” panel, NCSU</i>
Moderator, Graduate Symposium	<i>“Risk Management” panel, NCSU</i>

## Collaboration with University’s Technology Transfer Office

Ad-hoc committee to advise on commercialization of a new statistical estimator.

## Dissertation Committee Service

Dean’s Representative	<i>Economics, College of Liberal Arts &amp; Science, NIU</i>
Graduate School Representative	<i>Computer Science, College of Engineering, NCSU</i>

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## Commercial Experience

**Heller Financial, Inc.**, Chicago, IL 1989-1992  
(a wholly-owned hybrid merchant bank subsidiary of the Fuji Bank, Ltd., Japan)

•Associate *Equity Finance Group (private equity)*

•*Financial Management Training Program*: classes plus six-month rotations as:

Assistant to Controller	<i>Current Asset Management Group</i>
Financial Analyst	<i>Corporate Finance Group</i>
Client Analyst	<i>Project Workout Group</i>
Analyst	<i>Aircraft Finance Division</i>

•Intern *Internal Audit (of Treasury)* Summer, 1988

Working in a private equity group I participated in the identification, screening, and analysis of potential transactions. Prepared detailed economic analysis of proposed transactions on five continents for presentation to Heller's Executive Credit committee. Worked with investment bankers, money-center banks, attorneys and consultants. Transaction size up to \$130 million. Participated in portfolio management and gave presentations to Executive Credit committee. Travelled to visit CEOs and other executives at partner firms throughout the Eastern U.S. and Caribbean. Partner firm visits included those in the manufacturing, distribution, retail and service sectors. Managed an analyst.

**Best Buy, Inc.**, Eden Prairie, MN *Strategic Planning Group* Summer 1995

- Designed a cost-of-capital analysis.
- Implemented an analytic structure for store-level performance analysis using regression and linear programming.
- Business plan development.
- Managed a statistical analyst and a financial analyst

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## Consulting Experience

**NC Department of Transportation (Justice)** *Financial Consultant* 2001-2006

Provided consulting advice on stock and bond portfolio returns, and real estate investment returns, and advice on related investment strategy.

**Freelance** *Statistical Consultant* 1996-1997

Provided statistical consulting to non-business faculty and Ph.D. students.

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## Internal Service

<b>Graduate Faculty Council / (MBA committee)</b>	<i>College of Business, NIU, NCSU</i>
<b>Personnel Committee (Chair, 2012)</b>	<i>Finance Department, NIU</i>
<b>AACSB Visit Planning Committee, 2008</b>	<i>College of Business, NIU</i>
<b>Strategic Planning Committee</b>	<i>College of Business, NIU</i>
<b>Department Chair Recruiting Committee</b>	<i>NIU Finance</i>
<b>Finance Faculty Recruiting Committees</b>	<i>NIU and NCSU</i>
<b>Teaching Performance Committee</b>	<i>University of Illinois at Urbana-Champaign</i>
<b>College Grant Proposal Review Committee</b>	<i>College of Business, NIU</i>
<b>General Education Committee</b>	<i>NIU</i>
<b>Committee to acquire access to CRSP/Compustat</b>	<i>North Carolina State University</i>

## Ad-hoc Reviewer for journals which include the following:

*Journal of Corporate Finance, Financial Management, Journal of Banking and Finance, Financial Review, Journal of Economics and Business, Journal of Economics and Finance, International Review of Economics and Finance, Engineering Economist.*

## Grants/Honors:

Northern Illinois University College of Business Summer Research Grants  
Edwin Gill Summer Research Grant, NCSU, 2001  
Participant, FMA Doctoral Student Symposium, 1998.  
Indiana University Doctoral Fellowship, 1995-1999.  
Household Finance Scholarship  
Bernasek Foundation Scholarship.

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