
INSEAD Insights: March 2024 Research Picks



By [Lily Fang](#) , INSEAD

Recent findings on the gender gap in start-ups, conspiracy theories, stock price predictions, improving supply chain networks and more.

New research by INSEAD faculty highlights how various factors affect firm-stakeholder relations, how benevolent sexism influences the way start-ups are evaluated and the effect of distraction on financial analyst performance.

Other recent papers examine the accuracy of executives' stock price predictions, the importance of understanding conspiracy theories, whether a firm's home country influences its global performance and how to optimise the adoption of modern traceability technologies to improve supply chain management.

1. How information availability affects firm-stakeholder relations

This paper investigates how three factors – how much stakeholders know about a firm, what they know about a firm and how much they trust the media that informs them – shape the way stakeholders evaluate a firm. INSEAD's [Lite J. Nartey](#) and her co-authors* illustrate their arguments with

insights from field interviews related to stakeholders' evaluations of the Rosia Montana gold mine in Romania.

*[Sinziانا Dorobantu](#), New York University, and [Witold J. Henisz](#), The Wharton School.

[Read the full paper](#)

2. Addressing the gender gap in entrepreneurship

Why are women-led start-ups evaluated less favourably than men-led start-ups? In this paper, INSEAD's [Frédéric Godart](#) and his co-authors* suggest that benevolent sexism undermines gender equity in the evaluation of start-ups. According to their results, while benevolent sexism is unrelated to evaluations of women-led start-ups, it is positively related to those of men-led start-ups, thereby boosting men's outcomes.

*[Nhu Nguyen](#), McGill University; [Ivona Hideg](#), Saïd Business School; and [Yuval Engel](#), University of Amsterdam.

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3. Distraction and financial analyst forecast performance

Temporarily distracted financial analysts make less accurate forecasts, revise forecasts less frequently and publish less useful forecast revisions. This was the conclusion of INSEAD's [Peter Joos](#) and his co-authors*, who investigated the role of attention allocation in the analyst forecast setting. They also found that at the firm level, analyst distraction can increase information asymmetry for certain stocks.

*[Thomas Bourveau](#), Columbia University; [Alexandre Garel](#), Audencia Business School; and [Arthur Petit-Romec](#), TBS Education.

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4. Can executives predict how firm news affects stock price?

In this paper, INSEAD's [Elsa M. Juliani](#) and her co-authors* probe the accuracy of executives' predictions of the stock price response to quarterly financial reports. They discovered that executives' predictions of one-day price reactions were directionally correct in two-thirds of cases, despite market volatility. Collectively, the results provide evidence of executives'

superior ability to anticipate how the market prices information in quarterly financial reports, even in periods of extraordinary change.

*[Darren Bernard](#), University of Washington, and [Alastair Lawrence](#), London Business School.

[Read the full paper](#)

5. Understanding conspiracy theories

Conspiracy theories are a constant feature of human society but have recently risen in prominence. In this paper, INSEAD's [Henrich Greve](#) and his co-author* suggest that conspiracy theories ought to be studied not just because of their potential harm but also as they are related to other sources of misinformation such as folk theories, rumours and fake news. They identify multiple important and urgent paths for future research to help the understanding of conspiracy theories in society.

*[Hayagreeva Rao](#), Stanford Graduate School of Business.

[Read the full paper](#)

6. Does a firm's home country influence its performance?

Globalisation has sparked intense debates about how a company's home country affects its success in international markets. To study this, INSEAD's [Gabriel Hawawini](#) and his co-authors* explore the impact of the home country environment on the performance of firms in six countries. Their results indicate that firm-specific factors – rather than country- or industry-specific factors – matter more to firm performance both across and within countries.

*[Venkat Subramanian](#), Nazarbayev University, and [Paul Verdin](#), KU Leuven and Solvay Brussels School.

[Read the full paper](#)

7. Improving supply chain networks

Modern traceability technologies promise to improve supply chain management. However, it is not easy for initiatives leading the implementation of these technologies to choose the least costly set of firms – or seed set – to target for early adoption. INSEAD's [Georgina Hall](#) and her

co-authors* devise a linear programming-based algorithm to help managers identify the least costly seed set and offer insights to help them optimise their technology diffusion strategy.

*[Philippe Blaettchen](#), Bayes Business School, and [Andre Calmon](#), Georgia Tech.

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