

ONLINE APPENDIX A. CDE DATA CONSTRUCTION PROCESS

1. CDE Identification Process

As no comprehensive dataset on Corporate Development Executives (CDEs) exists, I manually constructed such a dataset. First, I created a pool of potential candidates based on publicly available LinkedIn profiles, using keywords such as “M&A,” “acquisition,” “integration,” “merger,” “divestiture,” “strategy,” “corporate development,” “business development,” “transaction,” “transformation,” “head,” “Vice President,” “Senior Vice President,” “Executive Vice President,” and short forms of each of these terms. LinkedIn has become the standard networking tool used by business professionals, and CDEs often utilize LinkedIn to source deals and interact with outside advisors. As such, they have incentives to keep their information accurate and up to date, including their current title and detailed descriptions of their prior roles and responsibilities (note that LinkedIn searches can only be performed on current titles held by employees of a company, not on historical titles). This initial identification process resulted in 2,906 potential candidates for the sample firms between 1995-2015.

Next, I created additional pools of potential CDE candidates using executive data available from Amadeus, BoardEx, and the Directory of Corporate Affiliations (DCA). Potential candidates were included in these pools if their titles contained any of the following terms: M&A, merger, acquisition, corp dev, dev, corp strat, strategy, integration, divestiture, spin-off, acq, strat. This text filtering process yielded a total of 21,090 records from Amadeus, 24,382 records from BoardEx, and 333,803 records from DCA.

After compiling the different pools of potential candidates, I conducted a thorough manual Google search for each individual, as well as direct Google searches for each company’s current and former CDEs (using a combination of the aforementioned keyword searches). A person was identified as the CDE for a focal firm if the following criteria were met (in order of importance):

- (1) Company press releases or news articles clearly refer to the individual as the person in charge of corporate development, M&A, or inorganic activities at the firm;
- (2) The individual is identified as the most senior person (typically as Vice President or Senior Vice President) responsible for corporate development, corporate business development, or M&A on company websites, annual reports, 10-Ks, or transaction prospectuses;
- (3) Their LinkedIn title and description clearly identify them as the highest-ranking executive responsible for company-wide corporate development activities;
- (4) Their titles and descriptions on Amadeus, BoardEx, or DCA clearly indicate that they lead company-wide corporate development activities, supported by other web sources confirming their seniority and M&A responsibilities at the firm.

2. CDE Detailed Experience Construction and Coding Process

For each identified CDE, I then collected their prior education and employment history using LinkedIn (where 80% of identified CDEs had public profiles with detailed prior histories), Bloomberg, company websites, and press releases. For missing items (education degrees, graduation years, career gaps, or demographic characteristics), I manually triangulated the data using Pitchbook, Crunchbase, high school and college yearbooks, reunion pages, social media posts, disclosed biographies on various websites, and any other available information uncovered through extensive web searches. Below, I illustrate this search and coding process using the example of Mr. Suriyapa,

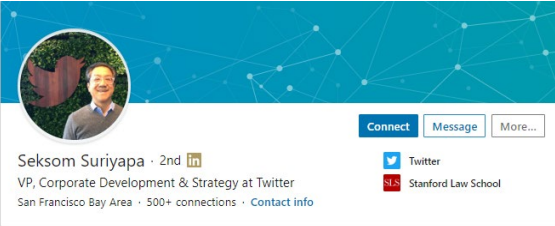
whose official title was “Senior Vice President, Corporate and Business Development” at Akamai Technologies from 2014 to 2016.

This manual data construction process resulted in a person-year panel dataset covering all years in a CDE’s career, from when they first entered the workforce to the year they concluded their role as the CDE at the focal company. Each year’s education and career experiences were then coded in detail. For each educational degree, I coded information on the degree name, whether it fell under natural sciences, social sciences or humanities, the degree type (bachelor’s, master’s, MBA, JD, or PhD), institution name, location, school ranking, graduation year, and any disclosed student activities, sports team participation, or awards as listed in their LinkedIn education section.

For each job held by the CDE since completing their college education, I classified the role into one of 14 functional categories: corporate development/M&A, investment banking, consulting, legal, PE/investing, engineering, corporate management and operations, sales and marketing, corporate finance, entrepreneurship, human resources, investor relations, government, and other. For any significant employment gaps (i.e., longer than one year), I conducted manual Google searches to identify missing employment or job function details whenever possible. I then developed various rolling counts of tenure by job, by function, by employer, by jobs within functions, by jobs within employers, and by functions within employers. In addition to education and career variables, I also coded each CDE’s demographic details, including gender, ethnicity, and birth year (inferred using college graduation year if unavailable), as well as whether the CDE was from outside of the U.S., had studied abroad, or had worked abroad.

The resulting dataset on corporate development executives in the S&P 500 IT companies provides a comprehensive account of the prior life experiences they bring to their roles as CDEs in the focal firms. This enables us to examine how CDEs, through their varied experiences, may influence firms’ M&A strategies and outcomes. Table B1 provides a summary of the demographic and functional backgrounds of the CDEs in the dataset.

Example Illustration of the CDE Coding Process:



Seksom Suriyapa · 2nd
VP, Corporate Development & Strategy at Twitter
San Francisco Bay Area · 500+ connections · [Contact info](#)

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[Twitter](#)
[Stanford Law School](#)

Experience

VP, Corporate Development & Strategy
Twitter
2018 – Present · 1 yr
San Francisco Bay Area
Leading a team of superstars and collaborating with great people across the company. Interim head of Global Product Partnerships team (Q418-Q119), including Strategic Partnerships, Growth & Distribution, and Content Syndication.

General Manager and CFO
DWA NOVA
2016 – 2017 · 1 yr
Silicon Valley
+ Recruited by Jeffrey Katzenberg, Founder/CEO of DreamWorks Animation, to partner with Graham Younger (former SFSP peer executive) to accelerate the business to commercial scale. Responsible for all operational functions outside Go-to-Market and R&D.
... See more

Senior Vice President, Corporate and Business Development
Akamai Technologies
2014 – 2016 · 2 yrs
Silicon Valley/SF
Recruited to accelerate Akamai's emerging technologies capabilities via acquisition and investment. Responsible for Strategy, M&A/Integration, Corporate Venture program, and BD. Diversity and Inclusion Committee member and Executive Mentor.
... See more

Global SVP and Chief Operating Officer, SuccessFactors
SAP SuccessFactors
2008 – 2014 · 6 yrs
Silicon Valley
+ Served the company in various executive capacities including COO and Head of Corporate Development. Key role in architecting the buildout of the HCM suite, culminating in the \$3.7 billion sale of the business, establishing SAP in the Cloud software segment.
... See more

Entrepreneur-in-Residence
Mayfield Fund
2006 – 2007 · 1 yr
Acting President/COO with P&L responsibility for Elemental Security, ultimately negotiating sale of the business.

SVP, Business Development
Webroot Software
2005 – 2006 · 1 yr
Drive key strategic initiatives focused on diversifying Webroot's product offering and channel.

SVP, Corporate Development
McAfee
2002 – 2005 · 3 yrs
Member of Global Management Team. Led transformation of Network Associates into the largest publicly traded security pureplay, McAfee. Promoted from Senior Director to SVP in less than 3 years.
... See more

VP, Business Development
NightFire Software
2000 – 2001 · 1 yr
Led Business Development team

VP
Morgan Stanley Technology Banking
1999 – 2000 · 1 yr
Internet and Software banking

Associate
Salomon Brothers
1997 – 1999 · 2 yrs
Corporate Finance

Education

Stanford Law School
JD, Law
Activities and Societies: Editor-in-Chief, Stanford Law and Policy Review, ASSU Graduate Student Council.

Williams College
Bachelor of Arts (BA) with Honors, History
Activities and Societies: College Council, Purple Key

1. Identify potential CDEs and manually verify (here, Mr. Suriyapa's position as CDE of Akamai is reported in the company press release)

Akamai Appoints Seksom Suriyapa as Head of Corporate and Business Development



Former COO at SuccessFactors. Suriyapa brings over 20 years of strategic, operational, and financial experience transforming companies into market leaders

CAMBRIDGE, Mass., April 14, 2014 /PRNewswire/ -- Akamai Technologies, Inc. (NASDAQ: [AKAM](#)), the leading provider of cloud services for delivering, optimizing and securing online content and business applications, today announced the appointment of Seksom Suriyapa as Senior Vice President of Corporate and Business Development. Mr. Suriyapa will be responsible for leading Akamai's corporate development and strategic partnership activities. He will report to Rick McConnell, Akamai's President of Products and Development, and will be a member of the senior management team under CEO Tom Leighton.

2. Code for all jobs since college graduation (by job function)


3. Prior M&A experience (e.g. collect deals done by McAfee & SAP during his tenure there)

NOVA Appoints Seksom Suriyapa As Chief Financial Officer And General Manager

Former SuccessFactors COO joins NOVA to position Company for commercial growth

GLENDALE, Calif., July 19, 2016 /PRNewswire/ -- NOVA, a software-as-a-service (SaaS) venture started by DreamWorks Animation to leverage its photo-realistic 3D visualization capabilities in the Enterprise software market, today announced the appointment of Seksom Suriyapa as Chief Financial Officer and General Manager, a role in which he will oversee the Company's financial, administrative and risk management operations. The announcement was made by NOVA CEO Lincoln Wallen, to whom Mr. Suriyapa will report. Mr. Suriyapa will be based out of the Company's Silicon Valley offices, and act as the General Manager there.

Mr. Suriyapa is a seasoned technology veteran with strong strategic, financial, and operational experience in the Cloud software market. An early SuccessFactors executive, Mr. Suriyapa played multiple important leadership roles at the company from 2008-2014, including Global SVP and COO as well as Head of Corporate Development. During his tenure, the company grew revenues 10x, from approximately \$100M to more than a \$1 billion, with user count growing from four million to approximately 25 million. He also guided the



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San Francisco Bay Area · 500+ connections · [Contact info](#)

Twitter

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Experience




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DWA NOVA

2016 – 2017 · 1 yr

Silicon Valley

+ Recruited by Jeffrey Katzenberg, Founder/CEO of DreamWorks Animation, to partner with Graham Younger (former SFSF peer executive) to accelerate the business to commercial scale. Responsible for all operational functions outside Go-to-Market and R&D.

... See more



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Recruited to accelerate Akamai's emerging technologies capabilities via acquisition and investment. Responsible for Strategy, M&A/Integration, Corporate Venture program, and BD. Diversity and Inclusion Committee member and Executive Mentor.

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Activities and Societies: Editor-in-Chief, Stanford Law and Policy Review, ASSU Graduate Student Council.



Williams College

Bachelor of Arts (BA) with Honors, History

Activities and Societies: College Council, Purple Key

4. Code education type / school rank / age / country of origin
(in this case, Mr. Suriyapa's education institutions come from LinkedIn, while his age, country of origin, and graduation years come from Prabook)

Prabook

Background

Suriyapa, Seksom North. was born on March 30, 1966 in Bridgeport, Connecticut, United States.

Education

Williams College (Bachelor of Arts, 1988). Stanford University (Juris Doctor, 1995).
 Spoken languages: Thai.

Career

Worked at Cooley Godward Limited Liability Partnership (Palo Alto, California) specializing in General Practice. Admitted to the bar, 1995, California. Editor-in-Chief, Stanford Law and Policy Review, 1993-1995.

Special Assistant Deputy Director - General, Ministry of Finance (Thailand), 1990-1991.

Member: American Bar Association, Cooley Godward Limited Liability Partnership specializes in representing emerging, high growth and established companies and the financial institutions that serve them.

5. Resolve any gap in experience through additional web searches

(in this case, there is a gap between Mr. Suriyapa's law school graduation year (1995) and his first job listed on LinkedIn (1997); through the search results from the California bar association's records of their attorneys and the information listed on Prabook, I classify these missing years as legal experience at Cooley Godward LLP.)

ALL CALIFORNIA ATTORNEYS

LAWYER INFORMATION

Name	Seksom Na Nakorn Suriyapa
First Admitted	7 December 1995 (23 years, 9 months ago)
Status	Not Eligible to Practice
Bar Number	170027

HISTORY

1 July 2014	Not Eligible To Practice Law in CA (5 years, 2 months ago)
31 December 1997	Inactive (21 years, 8 months ago)
7 December 1995	Admitted to The State Bar of California (23 years, 9 months ago)

3. Data Collection of CDEs' Responsibilities

In addition to compiling detailed life history data for CDEs in S&P 500 IT companies, I also collected and coded all available information on their roles and responsibilities, as disclosed in LinkedIn profiles, company press releases, job postings, and SEC filings. In addition, I also gathered CDE job postings from Glassdoor, LinkedIn, and other online sources. Below, I summarize the key categories of responsibilities most commonly cited in these descriptions, and include illustrative quotes from the source materials for each.

Summary of the Key Responsibilities and Roles of CDEs:

1. Oversee the firm's M&A strategy by working closely with the CEO and other TMT members:
 - *Set acquisition strategy with the CEO, architected transactions, integrated acquired companies via post transaction strategy & management*
 - *Led the M&A engagements with Presidents/CEOs, Investment Banks, Brokers, and Private Equity principals. Led and secured the Board approvals to acquire ...*
 - *Worked closely with senior business executives and visionaries, proactively assisting them in developing and executing their business vision and strategies, providing external market/ technology input and options for external business strategies, including technology acquisition, growth, market expansion, diversification and operational/ cost efficiencies*
 - *Co-developed, with CEO, the ongoing corporate strategy*
 - *Supports CEO on development of corporate strategy and manages the Strategy Execution Office*
 - *Reporting to the CEO and the Chairman of parent private equity fund, responsible for all acquisitions, divestitures, investments, strategic partnerships and strategy*
 - *Coordinate and lead cross-functional, teams to provide due diligence review on targets; develop initial integration plans and risk mitigation strategies; provide analysis and recommendations to senior management; obtain internal approvals; develop optimal transaction structure, negotiate commercial terms and execute definitive agreements. As appropriate, assist with post-merger integration of target.*
 - *Function as a lead member of the Mergers and Acquisitions team, coordinating, directing, and managing the work of cross-functional teams, in addition to identifying and addressing business issues discovered during planning and due diligence*
 - *Assisting in the "knitting together" of all of the various internal constituencies*
 - *This work includes evaluating potential deals that may span multiple business units or extend into new adjacent technologies or offerings, developing a pipeline of opportunities, and establishing closer relationships with investment bankers and private equity firms to consistently communicate our needs so we can better and more quickly identify opportunities*
2. Lead assessment and coordination efforts during the target screening / pre-deal stage:
 - *Formulated M&A strategy and priorities by completing a thorough market scan and identifying strategic gaps*
 - *Coordinate and lead the evaluation of potential acquisition targets, leveraging internal and external resources as appropriate. Formulate a view on strategic fit, valuation, prioritization, and overall attractiveness of candidates*
 - *Initiate and progress acquisition opportunities by contacting and developing relationships with founders and executive management of potential acquisition targets*
 - *Support M&A activities through the identification of potential targets, building of business cases, and development of M&A processes*
 - *Built & managed acquisition target pipeline of over 70 targeted companies*

- *Identify and evaluate M&A candidates and business initiatives for strategic, operational, and financial viability*
 - *Screen potential deals by analyzing market strategies, deal requirements, financial implications, and internal priorities.*
 - *Analysis of past deals, recent transactions and guideline public company transactions. Completed market analysis indicating current market pricing*
 - *Act as company's contact person in sourcing deals by communicating with investment banks and potential targets*
3. *Oversee due diligence, valuation, negotiation, capital raising, and internal alignment during the deal execution stage:*
- *Led and coordinated large due diligence teams with a reputation as an effective negotiator in complex acquisitions, divestitures and joint ventures, applying superior analytical frameworks and models to deal with challenging problems and transactions*
 - *Performed due diligence on covered and related companies, reviewing accounting, competitive positioning, product and technology outlook, and management teams*
 - *Spearhead due diligence efforts across various functional groups for potential transactions*
 - *Developing financial and valuation models, transaction analytics and return analysis, due diligence support and document preparation*
 - *Managed all impacts of M&A activities on financial planning, financing activities including Rating Advisory as well as Purchase Price Accounting with close relation with external stakeholders*
 - *Partner with finance and business unit management to develop valuation models and financial analyses to assist with evaluation and qualification of potential transactions*
 - *Leads analysis to assess and quantify selected strategic initiatives*
 - *Prepared a consistent model to financially analyze and price all transaction*
 - *Prepared financial models and analytical support for merger & acquisitions, capital raising and financial restructuring transactions*
 - *Managed the legal review and coordinated the due diligence review and closing process*
 - *Negotiated and structured transactions (letters of intent, purchase agreements and exhibits)*
 - *Support negotiation of M&A agreements including, identifying and analyzing key value drivers and risks, staking out positions and managing trade-offs to maximize value while minimizing risk exposure*
 - *Negotiate all deal related documents and make decisions about the financial viability, as well as the strategic and operational fit of an acquisition; provide strategic financial support to emerging lines of business and new geographies. Includes financial analysis and reporting, operational business metrics and service pricing analysis*
 - *Lead negotiations of engagement, non-disclosure, and stock/asset definitive agreements*
 - *Negotiate transactions to successful resolution*
 - *Drafted pitch materials, information memoranda, investor presentations and term sheets.*
4. *Manage the closing, integration planning, and implementation processes during the deal completion and post-acquisition integration stages:*
- *Managed closing process*
 - *Led the merger integration; managed multi-discipline cross functional teams, to achieve seamless integration and ensure the projected merger synergies were accelerated*
 - *Coordinate with operations and various home office departments to create a thorough integration plan for completed acquisitions*
 - *Play a lead role in integrating acquisitions by working with functional leads and acquired company*

- *Support ongoing analytics and strategy to ensure longer term integration plans and realities meet financial expectations*
 - *Led "activist" PMO for several large-scale change programs (e.g. post-merger integration, cost reduction and performance improvement program, operating model re-design)*
 - *Lead post-acquisition team with business integration, maintained sales and marketing responsibilities as well as regional operations P/L responsibility*
 - *Identified financial data to establish valuation parameters and operating budgets for newly acquired business units*
5. Build and expand M&A infrastructure and establish internal M&A knowledge centers:
- *Developed a formal, disciplined acquisition program to control the deal cycle, including: market planning & research standards; deal origination practices; pipeline development; M&A project control procedures; complex financial models; deal negotiation protocol; a standard due diligence program; and, post-closing integration planning*
 - *Built and led successful M&A program that drove transformation of the business*
 - *Expand internal M&A capabilities and build out corporate development organization*
 - *Support M&A activities through development of M&A processes*
 - *Creation of documented processes and procedures for functional integration of the company's operations*
6. Oversee related inorganic growth activities of the firm, such as divestitures, alliances, partnerships, CVC investments, strategic planning, IP management, and investor relations:
- *Reporting to the CEO and the Chairman of parent private equity fund, responsible for all acquisitions, divestitures, investments, strategic partnerships and strategy.*
 - *Led strategic review of company's businesses for the Board*
 - *Strategic planning: revised and enhanced the company's strategic planning process and activities to incorporate new corporate initiatives, new growth areas, and follow a continuous year-round cadence more aligned with business priorities, and planning cycles*
 - *Built and led global strategic and financial planning process. Worked with executive teams to identify and analyze organic and acquisition growth initiatives through a global framework. Translated strategic plans into operational objectives and annual plans*
 - *Built and managing ecosystem of partnership negotiations including cross-selling, joint product development and new market entry opportunities.*
 - *Led initiatives to identify and manage relationships with market leaders to drive revenue and market share through partnership agreements, revenue-sharing arrangements, and licensing deals.*
 - *Working with the SVP Finance and CFO in executing capital raising initiatives*
 - *Leads the formation of a corporate venture capital and investment program*
 - *Negotiated license and satisfactory settlement of IP infringement claims*
 - *Managed company's IP capture, licensing, monetization and IP defense activities*
 - *Negotiated and structured asset sale agreements to transfer intellectual property in exchange for minority equity positions in companies*
 - *Prepared and presented corporate IR materials to existing and potential investors, communicated investor concerns and proposals to senior management and the Board of Directors. Selected and coordinated participation in investor conferences, solicited sell-side research analysts, maintained relationships with Wall Street. Reported to the CEO.*
 - *Representing the company in one-on-one meetings with analysts, group investors and media as well as group presentations.*

ONLINE APPENDIX B. SUMMARY OF THE BACKGROUNDS OF CDES IN SAMPLE

Table B1. Summary of the Backgrounds of CDEs in S&P 500 IT' (1995-2015)

	%
Female	8%
Born in 1940s (current age: 69-78)	5%
Born in 1950s (current age: 59-68)	21%
Born in 1960s (current age: 49-58)	50%
Born in 1970s (current age: 39-48)	22%
From Abroad	16%
Has Education in Foreign Country	18%
Has Natural Science Education	27%
Has Social Science Education	48%
Has Humanities Education	17%
Has MBA	56%
Has JD	12%
Has Masters	71%
Has PhD	8%
Had Corp Dev Jobs Before CDE	45%
Had IBD Jobs Before CDE	21%
Had Legal Jobs Before CDE	9%
Had Consulting Jobs Before CDE	25%
Had PE/Investing Jobs Before CDE	16%
Had Engineer Jobs Before CDE	17%
Had Management/Operations Jobs Before CDE	40%
Had Marketing Jobs Before CDE	38%
Had Corporate Finance Jobs Before CDE	26%
Had Entrep. Jobs Before CDE	11%
Had IR Jobs Before CDE	1%
Had HR Jobs Before CDE	1%
Had Government Jobs Before CDE	5%

ONLINE APPENDIX C. ROBUSTNESS CHECKS

Online Appendix C

TABLE C1. Summary of Alternative Explanations and Robustness Checks

Empirical Concern <i>The main results may be sensitive to or driven by ...</i>	Robustness Test <i>To mitigate this concern, I ...</i>	Results <i>See Table(s)</i>
<i>(1) Measurement / Model Specification Errors</i>		
... Cumulative Abnormal Returns (CARs)	Test alternative CAR measures using placebo, five-day, six-day, seven-day event windows; alternative longer term performance measures such as 12-month and 24-month value weighted buy-and-hold abnormal returns (BHAR) and ROA 2 years after acquisition	Tables C2, C5, C6, E3, E4
... CDE M&A Experience	Test alternative measures using the total number of announced deals until focal year and focal deal (e.g. account for deals done in current role), as well as count of similar deals by various deal dimensions (e.g. size, industry, control structure, target public status, crossborder, etc.)	Tables 3, 4, C10, C21, E3, E5
... CEO M&A Experience	Test alternative measures using total number of announced deals before current firm (linear + quadratic); count of deals based on similar target-to-target deal dimensions (e.g. size, industry, control structure, target public status, crossborder, etc.)	Tables C3, C4, E3, E5
... Firm M&A Experience	Test alternative measures using total number of announced deals (linear + quadratic), count, log, binary indicator of recent deals only; count and log of deals based on similar target-to-target deal dimensions (e.g. size, industry, control, target public status, crossborder, etc.)	Tables 3, C3, E3, E5
... Clustering Standard Errors	Test alternative clustering of standard errors at the individual level (CDE, CEO), two-way robust standard errors by firm and year	Tables C4, C5, C6
<i>(2) Selection Effects</i>		
unobservable heterogeneity in the CDE-firm matching process, where certain firms may select certain CDEs	Model directly in simulation	Online Appendix D
... certain firms are better at choosing CDEs	Include firm fixed effects in main analyses and robustness checks where applicable	Tables 3, C7, C10, C21, E4
... new strategic directions of the firm	Include new CEO, CEO tenure, lagged operating performance in all analyses	All Tables
... firms anticipate uptick in M&A activities	Include average M&A intensity prior to the focal year	Table C8
... firms wanting to revamp M&A platform because of prior poor M&A performance	Include prior negative CARs, average CARs among last n deals, prior M&A impairment	Table C8
... firms want to create a dedicated M&A function	Include whether focal CDE is the first CDE, prior CDE history, year of first CDE in firm	Table C8
<i>(3) Impression Management</i>		
... active impression management of stock markets' reactions to M&A announcements (i.e. the stock market reactions are not driven by assessments of the NPV of the transaction, but shaped by how CDEs are framing and portraying the transaction in press releases)	(1) Use natural language processing techniques to compare differences in M&A announcements between high vs low experienced CDEs; (2) Test for alternative M&A outcomes that are not driven by stock-market reactions or the influence of analysts; (3) Conduct extensive field interviews with professional services providers (i.e. investment bankers, legal, consultants) who interact with many different CDEs to understand differences in behaviors between high vs low experienced CDEs	Tables C2, C5, C6, C9, E3, E4
<i>(4) Sample Selection Bias</i>		
results may be driven by ...		
... sample selection due to survivorship bias (i.e. attrition of really good/bad CDEs over time, so those left in sample may have high experience only because they have been around the longest)	Include CDEs' tenure in the corporate development function, in the current job, in the current firm	Table C10
... extremely acquisitive or large companies	Exclude the largest and most acquisitive firms one at a time (Apple, Cisco, Google, IBM, Intel, Microsoft)	Tables C11, C12, C13, C14
... dot-com bubble era active deal activities	Exclude deals from 1995-2000	Tables C11, C12, C13, C14
... international acquirers	Exclude non-US headquartered S&P 500 IT companies from the sample	Table C15
<i>(5) Omitted Variable Bias</i>		
... reporting structure and hierarchy	Include firm fixed effects; Include whether the CDE directly reported to the CEO or the CFO (based on manual coding of all available public information) and whether the CDE is listed in the 10-K (proxy for being a member of the TMT)	Tables C7, C16, C17
... CDEs' other responsibilities besides M&A	Collected and coded all available information on each CDE's scope of responsibilities, and include controls for involvement with different type of non-M&A activities (e.g. alliance, CVC, licensing, etc.)	Tables C18, C19, C20
... reputation spillovers of celebrity firms	Include firm reputation based on Halebian et al. (2017)	Table C21
... availability of targets	Include lagged target industry-level deal activity by SIC 3 and SIC 4	Tables C22, C23, C24, C25
... prior interactions between target and acquirer	Include prior partnership between target and acquirer	Tables C22, C23, C24, C25
... prior M&A experience of the financial advisor	Include target and acquirer's financial advisors' recent experience in the target sector by SIC3 and SIC4	Tables C22, C23, C24, C25
... CDE's prior functional background	Include whether the CDE worked in investment banking, legal, consulting, investing, or technology-related roles	Tables C26, C27, C28, C29
... CDE's prior education background	Include whether the CDE has a MBA, and whether the CDE had attended an elite institution (US News top 50 schools)	Tables C26, C27, C28, C29
... CDE's demographics information	Include whether the CDE came from abroad, whether CDE is female, whether CDE is non-white	Tables C26, C27, C28, C29

As summarized in Table C1 above, I conducted 29 supplementary analyses and robustness checks to assess whether my main results are driven by, or sensitive to, measurement errors, model specification issues, unobservable heterogeneity in the CDE-firm pair selection, active impression management affecting market reactions to M&A announcements, or biases from sample selection and omitted variables. I discuss the results addressing each concern in detail below.

1. Testing for potential measurement errors and model specification issues

One concern with my empirical results is the potential for measurement error—specifically, that the findings may be sensitive to how M&A performance and M&A experiences are measured. To address this, I rerun the main models using alternative windows for CAR, including a placebo, as well as five-day, six-day, and seven-day windows around deal announcement. Table C2 shows that the results are robust: the estimates from the five-day window are stronger in magnitude and have lower p-values in the Lind-Mehlum u-test compared to the baseline three-day window. These findings suggest that the baseline estimates are likely to be conservative.

In addition, because CARs primarily reflect market reactions at the time of announcement rather than the firm's actual ability to realize value from the transaction, I also test the relationship between CDE M&A experience and long-term performance measures, including 12-month and 24-month value-weighted buy-and-hold abnormal returns (BHARs) and ROA two years after the acquisition (Rabier, 2017; Zollo & Meier, 2008). I continue to find an inverted-U relationship between CDE M&A experience and 12-month BHAR, although the quadratic term estimates yield higher p-values for the 24-month measures. As these longer-term accounting and market-based outcomes reflect a variety of factors beyond the focal deal, I follow established research on M&A experience and rely on CAR as the primary proxy for deal-specific M&A performance.

TABLE C2. Robustness Check with Alternative Measures of DV

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	DV = CAR						DV = BHAR		DV = ROA
<i>CAR Windows:</i>	<i>Placebo</i>	<i>3-Day</i>	<i>5-Day</i>	<i>6-Day</i>	<i>6-Day</i>	<i>7-Day</i>	<i>12-Month</i>	<i>24-Month</i>	<i>t+2 Years</i>
	<i>[-4, -2]</i>	<i>[-1, +1]</i>	<i>[-2, +2]</i>	<i>[-3, +2]</i>	<i>[-2, +3]</i>	<i>[-3, +3]</i>			
CDE M&A Experience	0.0035 (0.257)	0.0086 (0.011)	0.0145 (0.001)	0.0135 (0.003)	0.0129 (0.004)	0.0119 (0.010)	0.1513 (0.033)	0.2448 (0.115)	0.0542 (0.080)
CDE M&A Experience Squared	-0.0009 (0.488)	-0.0039 (0.006)	-0.0065 (0.001)	-0.0050 (0.009)	-0.0054 (0.006)	-0.0039 (0.042)	-0.0723 (0.021)	-0.1393 (0.018)	-0.0192 (0.204)
Firm M&A Experience	-0.0001 (0.930)	-0.0016 (0.156)	-0.0012 (0.452)	-0.0007 (0.657)	-0.0005 (0.739)	-0.0001 (0.955)	-0.0154 (0.440)	-0.0072 (0.855)	0.0071 (0.375)
CEO M&A Experience	0.0067 (0.046)	0.0031 (0.301)	0.0076 (0.059)	0.0074 (0.084)	0.0063 (0.157)	0.0061 (0.180)	0.0863 (0.192)	0.0174 (0.898)	0.0510 (0.120)
Constant	0.0234 (0.034)	0.0246 (0.058)	0.0494 (0.001)	0.0689 (0.000)	0.0710 (0.000)	0.0906 (0.000)	0.4967 (0.010)	0.9676 (0.017)	-0.0403 (0.548)
Lind Mehlum utest p-value	.365	.006	.000	.013	.005	.067	.017	.058	.187
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0345	0.0295	0.0481	0.0355	0.0508	0.0392	0.1568	0.1812	0.2178
N	3607	3607	3607	3607	3607	3607	3553	3574	3464

p-values in parentheses; robust standard errors clustered by acquirer

In Table C3 below, I rerun the main results using alternative measures of firm M&A experience that have been used in prior M&A studies, including total deal count (Haleblian & Finkelstein, 1999; Hayward, 2002; Kim et al., 2015; Laamanen & Keil, 2008; Vermeulen & Barkema, 2001; Zollo & Singh, 2004), log of total count (Barkema et al., 1996), total count squared (Haleblian & Finkelstein, 1999), recent deals done in the last three years (Haunschild, 1993; Hou et al., 2017), last four years (Bruton et al., 1994; Fowler & Schmidt, 1989; Trichterborn et al., 2016), last five years (Capron & Shen, 2007; Haleblian & Finkelstein, 1999), binary indicators of having done a transaction in the last three years (Kroll et al., 1997, 1997; Wright et al., 2002), last four years (Kroll et al., 1997) and last five years (Kroll et al., 1997). In addition, I evaluate alternative measures of CEO M&A experience, including total count of announced deals prior to joining the focal firm and its quadratic effects. The baseline inverted-U relationship remains robust across all specifications, regardless of which measures of firm M&A experience and CEO M&A experience—log, linear, quadratic or binary forms—are used.

TABLE C3. Robustness Check with Alternative Measures of Firm and CEO M&A Experience
DV = CAR [-1, +1]

	CEO Experience: Firm Experience	# of Deals Before Job																
		Alt. Measure: # Deals Before Firm																
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
		Log: Total # Deals	Count: Total # Deals	Log: 1.5Y	Count: # Deals 1.5Y	Has M&A: 1.5Y	Log: 1.4Y	Count: # Deals 1.4Y	Has M&A: 1.4Y	Log: 1.3Y	Count: # Deals 1.3Y	Has M&A: 1.3Y	Log: 1.5Y	Count: # Deals 1.5Y	Has M&A: 1.5Y	Log: 1.3Y	Count: # Deals 1.3Y	Has M&A: 1.3Y
CDE M&A Experience		0.0083 (0.006)	0.0084 (0.006)	0.0070 (0.010)	0.0082 (0.017)	0.0073 (0.023)	0.0070 (0.023)	0.0074 (0.019)	0.0070 (0.029)	0.0071 (0.027)	0.0071 (0.023)	0.0076 (0.017)	0.0071 (0.028)	0.0071 (0.028)	0.0070 (0.026)	0.0074 (0.028)	0.0070 (0.028)	0.0070 (0.028)
CDE M&A Experience Squared		-0.0038 (0.004)	-0.0038 (0.004)	-0.0032 (0.009)	-0.0037 (0.015)	-0.0034 (0.015)	-0.0032 (0.018)	-0.0033 (0.017)	-0.0032 (0.019)	-0.0033 (0.018)	-0.0033 (0.017)	-0.0034 (0.017)	-0.0033 (0.018)	-0.0033 (0.019)	-0.0032 (0.021)	-0.0033 (0.020)	-0.0032 (0.019)	-0.0032 (0.019)
Firm M&A Experience (Log)		-0.0016 (0.162)	-0.0015 (0.187)			-0.0003 (0.790)				0.0001 (0.960)				0.0000 (0.977)				
Firm M&A Experience (Count)				-0.0001 (0.576)	-0.0019 (0.576)	0.0006 (0.906)	0.0055 (0.596)			0.0002 (0.971)	0.0142 (0.306)			0.0011 (0.887)	0.0069 (0.663)			
Firm M&A Experience (Count) Squared				0.0006 (0.416)		-0.0050 (0.608)				-0.0175 (0.308)				-0.0087 (0.734)				
Firm M&A Experience (= 1 if Has M&A in Last N Years)						0.0041 (0.348)				0.0017 (0.744)					0.0041 (0.501)			
CEO M&A Experience		0.0051 (0.326)	0.0003 (0.978)	0.0045 (0.397)	-0.0013 (0.905)	0.0023 (0.437)	0.0020 (0.512)	-0.0015 (0.844)	0.0022 (0.457)	0.0021 (0.472)	0.0021 (0.495)	0.0021 (0.854)	0.0021 (0.462)	0.0021 (0.471)	0.0020 (0.509)	-0.0013 (0.859)	0.0022 (0.460)	0.0022 (0.460)
CEO M&A Experience Squared		0.0051 (0.603)		0.0064 (0.527)		0.0038 (0.603)				0.0041 (0.577)				0.0036 (0.611)				
Constant		0.0229 (0.082)	0.0225 (0.086)	0.0256 (0.092)	0.0247 (0.104)	0.0269 (0.039)	0.0277 (0.043)	0.0281 (0.041)	0.0231 (0.094)	0.0273 (0.038)	0.0274 (0.046)	0.0285 (0.039)	0.0255 (0.061)	0.0273 (0.036)	0.0278 (0.036)	0.0281 (0.034)	0.0234 (0.085)	0.0234 (0.085)
Controls		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2		0.0295	0.0296	0.0289	0.0291	0.0288	0.0288	0.0289	0.0289	0.0288	0.0288	0.0292	0.0288	0.0288	0.0288	0.0289	0.0290	0.0290
N		3607	3607	3607	3607	3607	3607	3607	3607	3607	3607	3607	3607	3607	3607	3607	3607	3607

P-values in parentheses; robust standard errors clustered by acquirer; CDE M&A Experience, CEO M&A Experience and Firm Experience (when measured as a count variable) are scaled by 1/100 in all models for ease of display.

Table C4 reports the results using alternative specifications for robust standard errors: clustered by CDE, by CEO, and using two-way clustering by firm and year. In these models, I also vary the CEO M&A experience measure, using both the total number of deals before starting the current role (the baseline measure) and an alternative based on the total number of deals before joining the focal firm. The results continue to support H1 across all model specifications.

Online Appendix C - Model Specification Tests

TABLE C4. Robustness Check with Alternative Clustering of Standard Errors and Alt. Measures of CEO Experience

DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)
	CEO Experience: # of Deals Before Job			Alt. Measure of CEO Experience: # of Deals Before Firm		
<i>Robust Standard Errors Clustered By:</i>	<i>Firm × Year</i>	<i>CDE</i>	<i>CEO</i>	<i>Firm × Year</i>	<i>CDE</i>	<i>CEO</i>
CDE M&A Experience	0.0086 (0.016)	0.0086 (0.014)	0.0086 (0.009)	0.0082 (0.017)	0.0083 (0.012)	0.0083 (0.006)
CDE M&A Experience Squared	-0.0039 (0.018)	-0.0039 (0.006)	-0.0039 (0.005)	-0.0037 (0.020)	-0.0038 (0.005)	-0.0038 (0.004)
Firm M&A Experience	-0.0015 (0.201)	-0.0016 (0.136)	-0.0016 (0.169)	-0.0014 (0.216)	-0.0016 (0.144)	-0.0016 (0.176)
CEO M&A Experience	0.0032 (0.429)	0.0031 (0.315)	0.0031 (0.278)	0.0053 (0.482)	0.0051 (0.279)	0.0051 (0.263)
Constant	0.0153 (0.107)	0.0246 (0.053)	0.0246 (0.083)	0.0142 (0.138)	0.0229 (0.073)	0.0229 (0.111)
Lind Mehlum utest p-value	.016	.007	.004	.018	.006	.003
Controls	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0313	0.0295	0.0295	0.0314	0.0295	0.0295
N	3569	3607	3607	3569	3607	3607

p-values in parentheses; robust standard errors clustered by acquirer

Table C5 tests H2 (using Table 6 Models 3 and 4, the full sample models with both the binary indicator and the continuous measures of the CEO-CDE experience gap) and Table C6 tests H3 (using Table 7 Models 3 and 4, the full sample models with limited firm experience indicator at 40th and 25th percentiles) using alternative robust standard errors clustered by CDE, by CEO, and two-way clustering by firm and year, as well as alternative DV measures such as 5-day CAR and 12-month BHAR. H2 and H3 results generally hold across all models.

Online Appendix C - Measurement Errors Tests and Model Specification Tests

TABLE C5. Robustness Check of H2 Main Results with Alternative Clustering of Standard Errors and Alternative DVs
DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Robustness Check of H2 (Table 6 Model 3)					Robustness Check of H2 (Table 6 Model 4)				
	Robust Standard Errors Clustered By:		Alt. Measures of DV:			Robust Standard Errors Clustered By:		Alt. Measures of DV:		
	<i>Firm × Year</i>	<i>CEO</i>	<i>CDE</i>	<i>5-Day CAR</i>	<i>12-Month BHLAR</i>	<i>Firm × Year</i>	<i>CEO</i>	<i>CDE</i>	<i>5-Day CAR</i>	<i>12-Month BHLAR</i>
CDE M&A Experience	0.0108 (0.034)	0.0108 (0.042)	0.0108 (0.048)	0.0191 (0.019)	0.1734 (0.078)	0.0095 (0.034)	0.0095 (0.009)	0.0095 (0.013)	0.0171 (0.002)	0.1759 (0.056)
CDE M&A Experience Squared	-0.0047 (0.023)	-0.0047 (0.019)	-0.0047 (0.021)	-0.0080 (0.012)	-0.0782 (0.052)	-0.0042 (0.026)	-0.0042 (0.005)	-0.0042 (0.006)	-0.0072 (0.002)	-0.0791 (0.041)
Indicator =1 if CEO Has More M&A Experience Than CDE	0.0023 (0.384)	0.0023 (0.424)	0.0023 (0.445)	0.0043 (0.289)	0.0260 (0.515)					
CEO Has More M&A Experience * CDE Experience	-0.1051 (0.041)	-0.1051 (0.059)	-0.1051 (0.065)	-0.0836 (0.115)	-0.6743 (0.125)					
CEO Has More M&A Experience * CDE Experience Squared	0.2082 (0.028)	0.2082 (0.038)	0.2082 (0.041)	0.1682 (0.070)	1.0973 (0.135)					
M&A Experience Gap (# Deals) When CEO Has More Experience						0.0000 (0.467)	0.0000 (0.241)	0.0000 (0.264)	0.0001 (0.111)	0.0007 (0.354)
M&A Experience Gap * CDE Experience						-0.0006 (0.473)	-0.0006 (0.200)	-0.0006 (0.218)	-0.0004 (0.646)	-0.0176 (0.077)
M&A Experience Gap * CDE Experience Squared						0.0025 (0.017)	0.0025 (0.000)	0.0025 (0.000)	0.0019 (0.051)	0.0208 (0.064)
Firm M&A Experience	-0.0016 (0.164)	-0.0016 (0.182)	-0.0016 (0.154)	-0.0011 (0.489)	-0.0129 (0.538)	-0.0017 (0.150)	-0.0017 (0.162)	-0.0017 (0.130)	-0.0012 (0.486)	-0.0141 (0.505)
Constant	0.0130 (0.169)	0.0241 (0.088)	0.0241 (0.058)	0.0491 (0.001)	0.4885 (0.012)	0.0138 (0.143)	0.0247 (0.082)	0.0247 (0.052)	0.0500 (0.002)	0.5097 (0.011)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0309	0.0309	0.0309	0.0486	0.1562	0.0311	0.0311	0.0311	0.0487	0.1564
N	3607	3607	3607	3607	3553	3607	3607	3607	3607	3553

p-values in parentheses; robust standard errors clustered by acquirer

Online Appendix C - Measurement Errors Tests and Model Specification Tests

TABLE C6. Robustness Check of H3 Main Results with Alternative Clustering of Standard Errors and Alternative DVs
DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Robustness Check of H3 (Table 7 Model 3)					Robustness Check of H3 (Table 7 Model 4)				
	Robust Standard Errors Clustered By:		Alt. Measures of DV:			Robust Standard Errors Clustered By:		Alt. Measures of DV:		
	<i>Firm × Year</i>	<i>CEO</i>	<i>CDE</i>	<i>5-Day CAR</i>	<i>12-Month BHLAR</i>	<i>Firm × Year</i>	<i>CEO</i>	<i>CDE</i>	<i>5-Day CAR</i>	<i>12-Month BHLAR</i>
CDE M&A Experience	0.0082 (0.025)	0.0082 (0.017)	0.0082 (0.022)	0.0172 (0.000)	0.1119 (0.157)	0.0078 (0.028)	0.0078 (0.021)	0.0078 (0.028)	0.0158 (0.000)	0.1368 (0.061)
CDE M&A Experience Squared	-0.0039 (0.017)	-0.0039 (0.005)	-0.0039 (0.006)	-0.0075 (0.000)	-0.0537 (0.091)	-0.0037 (0.020)	-0.0037 (0.007)	-0.0037 (0.007)	-0.0069 (0.000)	-0.0673 (0.027)
Indicator =1 if Firm Has Limited Experience	0.0016 (0.585)	0.0016 (0.607)	0.0016 (0.571)	0.0035 (0.318)	0.0433 (0.423)	0.0065 (0.036)	0.0065 (0.067)	0.0065 (0.052)	0.0062 (0.148)	0.0188 (0.769)
Limited Firm M&A Experience * CDE Experience	-0.0452 (0.045)	-0.0452 (0.036)	-0.0452 (0.019)	-0.0523 (0.030)	0.5016 (0.352)	-0.1342 (0.006)	-0.1342 (0.013)	-0.1342 (0.003)	-0.1505 (0.015)	-1.0920 (0.086)
Limited Firm M&A Experience * CDE Experience Squared	0.0419 (0.031)	0.0419 (0.022)	0.0419 (0.012)	0.0335 (0.094)	-0.3924 (0.417)	0.1246 (0.005)	0.1246 (0.011)	0.1246 (0.002)	0.1243 (0.029)	1.0798 (0.063)
CEO M&A Experience	0.0027 (0.510)	0.0027 (0.347)	0.0027 (0.393)	0.0065 (0.093)	0.0848 (0.240)	0.0020 (0.625)	0.0020 (0.491)	0.0020 (0.526)	0.0062 (0.103)	0.0763 (0.271)
Constant	0.0141 (0.190)	0.0308 (0.051)	0.0308 (0.029)	0.0490 (0.003)	0.3577 (0.138)	0.0106 (0.287)	0.0228 (0.131)	0.0228 (0.086)	0.0469 (0.001)	0.5246 (0.006)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0299	0.0299	0.0299	0.0494	0.1601	0.0325	0.0325	0.0325	0.0507	0.1580
N	3607	3607	3607	3607	3553	3607	3607	3607	3607	3553

p-values in parentheses; robust standard errors clustered by acquirer

2. Testing for selection effects in the CDE-firm matching process

As the CDE–firm pairing is nonrandom, one concern with the empirical findings is the potential for unobserved heterogeneity in the CDE–firm matching process. While random assignment is not feasible, I address this concern by using CARs as the dependent variable and accounting for time-invariant firm-, CEO-, and CDE-level characteristics that may influence selection in the main analyses. In Table C7, I test this concern by re-estimating the main results for H1, H2, and H3 with firm fixed effects. For H3 (Model 6), I include firm fixed effects only in the full-sample analysis as the subsamples are already split based on firm characteristics (e.g., high vs. low firm M&A experience). Across all models, the results for H1, H2, and H3 remain robust, suggesting that the observed relationships are not solely driven by the CDE–firm matching process.

Online Appendix C - Nonrandom Selection

TABLE C7. Robustness Check of H1, H2 and H3 Main Results with Firm Fixed Effects
DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)
		Testing H2 with FE			Testing H3 with FE	
	Baseline H1 with Firm FE (Table 3 Model 10)	<i>Subsample:</i> When CEO Has More M&A Experience Than CDE	<i>Subsample:</i> When CEO Has Less M&A Experience Than CDE	<i>Full Sample:</i> CEO Has More x CDE M&A Experience and Exp. Sq	<i>Full Sample:</i> CEO-CDE Exp. Gap x CDE M&A Experience and Exp. Squared	Limited Firm Exp. (< 40th Perc.) x CDE M&A Exp. and Exp. Sq
CDE M&A Experience	0.0095 (0.025)	-0.1325 (0.046)	0.0131 (0.078)	0.0160 (0.033)	0.0113 (0.011)	0.0108 (0.012)
CDE M&A Experience Squared	-0.0038 (0.039)	0.2243 (0.062)	-0.0042 (0.144)	-0.0065 (0.023)	-0.0045 (0.021)	-0.0050 (0.017)
Indicator =1 if CEO Has More M&A Experience Than CDE				0.0057 (0.238)		
CEO Has More M&A Experience * CDE Experience				-0.1410 (0.010)		
CEO Has More M&A Experience * CDE Experience Squared				0.2689 (0.006)		
M&A Experience Gap (# Deals) When CEO Has More Experience					0.0000 (0.181)	
M&A Experience Gap * CDE Experience					-0.0013 (0.118)	
M&A Experience Gap * CDE Experience Squared					0.0034 (0.001)	
Indicator =1 if Firm Has Limited M&A Experience						-0.0002 (0.967)
Limited Firm M&A Experience * CDE Experience						-0.0488 (0.039)
Limited Firm M&A Experience * CDE Experience Squared						0.0424 (0.036)
Firm M&A Experience	-0.0054 (0.150)	-0.0026 (0.606)	-0.0030 (0.476)	-0.0047 (0.209)	-0.0050 (0.172)	
CEO M&A Experience	0.0039 (0.364)					0.0024 (0.590)
Constant	0.0347 (0.162)	0.0152 (0.801)	-0.6847 (0.505)	-0.0784 (0.289)	-0.0773 (0.283)	-0.1127 (0.106)
Controls	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Firm Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0992	0.1978	0.1406	0.1016	0.1013	0.0988
N	3607	1524	2083	3607	3607	3607

p-values in parentheses; robust standard errors clustered by acquirer

In Table C8, I test the potential selection concern that some firms may choose specific types of CDEs as part of a deliberate change in their M&A strategy, either in response to recent operational developments or following the arrival of a new CEO. Such shifts may include efforts to overhaul M&A processes after poor performance in prior deals, or initiatives to establish a dedicated M&A function if one did not previously exist.

Online Appendix C - Nonrandom Selection
TABLE C8. Robustness Check Testing Prior Firm M&A Activity as Potential Selection Mechanism
DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Firms' Prior M&A Experience (before current CDE, before current year)					Firm Had M&A Impairment		Change in Corp Dev Func		
CDE M&A Experience	0.0071 (0.028)	0.0069 (0.030)	0.0070 (0.027)	0.0071 (0.024)	0.0071 (0.026)	0.0086 (0.010)	0.0087 (0.010)	0.0088 (0.012)	0.0103 (0.004)	0.0086 (0.012)
CDE M&A Experience Squared	-0.0034 (0.014)	-0.0032 (0.021)	-0.0032 (0.018)	-0.0033 (0.016)	-0.0032 (0.019)	-0.0040 (0.006)	-0.0041 (0.005)	-0.0040 (0.006)	-0.0046 (0.002)	-0.0040 (0.007)
Firm M&A Experience: # of Neg. CARs Year Before CDE Joined	-0.0003 (0.128)									
Firm M&A Experience: Avg CAR Before Deal (Last 10 Deals)		0.0554 (0.380)								
Firm M&A Experience: Avg CAR Before Deal (Last 50 Deals)			0.0437 (0.783)							
Firm M&A Experience: Avg Recent Performance (Last 2 Year)				0.0462 (0.393)						
Firm M&A Experience: Avg Recent Performance (Last 3 Year)					0.0424 (0.492)					
Firm Has Prior M&A Impairment (Last 1 Year)						-0.0012 (0.713)				
Firm Has Prior M&A Impairment (Year before CDE Joined)							-0.0035 (0.226)			
Number of CDEs the Firm Had Before Current CDE								0.0007 (0.398)		
Current CDE is First CDE of the Firm									-0.0043 (0.138)	
First Year Corp Dev Function was Founded										-0.0001 (0.740)
Firm M&A Experience						-0.0016 (0.190)	-0.0015 (0.206)	-0.0020 (0.111)	-0.0023 (0.063)	-0.0018 (0.142)
CEO M&A Experience	0.0026 (0.387)	0.0022 (0.438)	0.0021 (0.467)	0.0024 (0.417)	0.0023 (0.418)	0.0030 (0.309)	0.0032 (0.289)	0.0035 (0.261)	0.0036 (0.238)	0.0033 (0.307)
Constant	0.0250 (0.051)	0.0254 (0.061)	0.0271 (0.037)	0.0262 (0.042)	0.0261 (0.050)	0.0252 (0.052)	0.0240 (0.066)	0.0233 (0.073)	0.0282 (0.037)	0.1397 (0.691)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0291	0.0291	0.0288	0.0292	0.0291	0.0295	0.0298	0.0297	0.0305	0.0295
N	3607	3607	3607	3607	3607	3607	3607	3607	3607	3607

p-values in parentheses; robust standard errors clustered by acquirer

These tests suggest that the potential unobserved firm heterogeneity that could be biasing the relationship between CDE M&A experience and M&A performance must not be fully explained by firm-invariant characteristics, prior M&A experience at firm and CEO levels, changes in firm strategy, the arrival of a new CEO, prior deal performance, or CEO tenure effects—the most plausible explanations that might influence a firm's decision to hire a particular type of CDE. In

Online Appendix D, I further test this using a simulation and find that the inverted-U relationship still persists even in the presence of unobserved selection bias in the CDE hiring process.

3. Testing active impression management as an alternative explanation

Prior work on the sociological perspective of markets suggests that managers often engage in impression management to influence investor reactions to firm announcements (Bansal & Clelland, 2004; Graffin et al., 2011; Merkl-Davies & Brennan, 2007). One alternative explanation for the observed inverted-U relationship is that as CDEs accumulate M&A experience, they may simply become better at framing deals to investors, resulting in more favorable stock market responses. However, as investors gain repeated exposure to these CDEs, they may become more discerning and less susceptible to such impression management attempts, thereby dampening the effect over time. I address this concern in three ways.

First, if impression management were the primary mechanism through which CDEs influence M&A performance, we would expect to observe differences in the language used by firms with highly experienced CDEs versus those with limited M&A experience. To test this, I collect all press releases and relevant news articles for the deals in my sample, resulting in a corpus of 11,004 documents. I then apply the Linguistic Inquiry and Word Count (LIWC) lexicon (Pennebaker et al., 2015) and compare the language used by firms with high- versus low-experience CDEs, using 108 deals as the cutoff (based on the estimated turning point of the inverted-U)¹. Table C9 below reports the regression results of CDE experience on various textual outcomes, including degree of positive and negative affect language (Piezunka & Dahlander, 2019), analytical thinking (Pennebaker et al., 2014), authority (Kacewicz et al., 2014), negation, and language complexity (Piezunka & Dahlander,

¹ Since LIWC is a linguistic tool that primarily captures textual style rather than content, I also attempted Latent Dirichlet Allocation (LDA) topic modeling, which applies a “bag-of-words” approach to natural language processing (Blei et al., 2003). However, after extensive testing, I did not observe consistent topics emerging from the 11,004-document corpus. The resulting topics often contained keywords related to deal characteristics or target and acquirer industries, but I did not find any systematic differences in the words associated with each topic across CDE experiences.

2019; Tausczik & Pennebaker, 2010). I find no systematic differences in press release language between firms with high- and low-experience CDEs. This suggests that the degree of active impression management does not appear to vary meaningfully with CDEs' prior M&A experience.

Second, I conduct analyses using M&A outcomes that are not driven by stock-market reactions or the influence of analysts. If impression management is the sole mechanism driving the relationship between CDEs' M&A experience and performance, then longer-term, accounting-based performance after the transaction would be self-correcting. As reported in Online Appendix E Tables E3 and E4, I test alternative outcomes not influenced by stock market reactions and find that CDEs' prior M&A experience is negatively associated with both days to completion and the likelihood of impairment. As reported in Table C2, CDE M&A experience is also positively associated with ROA two years after the acquisition, the amount of time firms typically need for integration (Zollo & Meier, 2008). These results provide suggestive evidence that CDEs are learning to execute better M&A transactions from their past M&A experiences and are not solely adding value because of their impression-management skills.

Note that while helpful as suggestive evidence, these alternative measures are not ideal proxies for deal performance: (i) days to completion is generally more process-oriented, and while a shorter time to close is preferred by acquirers, a fast closing does not necessarily imply superior M&A performance; (ii) impairment likelihood can be informative but mostly reflects extreme underperformance (Rabier, 2017), is subject to internal reclassifications, and may result from multiple acquisitions over time; (iii) similarly, accounting-based ROA is useful as an overall indicator of M&A investment returns but cannot be tied to a specific deal, a limitation given that the average firm in this sector completes three to four deals per year. As such, I do not rely on these alternative outcomes in the main analyses of M&A performance.

Lastly, to better understand the mechanisms through which CDEs' prior M&A experience may impact M&A performance, I conducted 57 field interviews with current and former CDEs, junior corporate development professionals, investment bankers, senior executives who frequently interact with CDEs, and board members. These interviews explored what CDEs do, how they interact with other internal actors during the M&A process, and how their roles may vary across firms. As one investment banker mentioned in an interview:

Experience really matters. You can really tell the difference between the heads of corp dev who have countless deals under their belt versus those [who] don't. The experienced ones always have the standard checklist of diligence questions and valuation models at hand, and more importantly, they always know what key questions to ask, and which key business assumptions are the real value drivers should they proceed with the transaction. (Managing Director at a Global Investment Bank, May 15, 2019)

Other interviewees also emphasized the execution-related knowhow CDEs gain from prior M&A experience. As such, while investor management may be one important skill CDEs develop over time, the above investigation together suggest that this is unlikely to be the primary mechanism driving the relationship between CDEs' M&A experience and M&A experience.

TABLE C9. Robustness Check Testing Impression Management as Alternative Explanation (LIWC Analyses)

DV:	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	Positive Affect Language		Negative Affect Language		Analytical Thinking		Authority		Negation		Language Complexity (# of Words > 6 Letters)	
High CDE M&A Experience: (=1 if CDE M&A Experience > Turning Point)	0.1567 (0.249)		-0.0448 (0.462)		0.2167 (0.423)		-0.0485 (0.934)		-0.0211 (0.448)		-0.2954 (0.734)	
CDE M&A Experience		0.1161 (0.378)		-0.0236 (0.483)		0.0124 (0.943)		0.5462 (0.151)		-0.0146 (0.514)		-0.0946 (0.834)
New CEO	-0.1384 (0.174)	-0.1337 (0.193)	-0.0214 (0.588)	-0.0213 (0.597)	-0.0457 (0.799)	-0.0619 (0.733)	-0.5494 (0.361)	-0.4616 (0.446)	0.0369 (0.173)	0.0364 (0.168)	-0.0388 (0.922)	-0.0286 (0.944)
Acquirer Tobin's Q	0.0018 (0.668)	0.0020 (0.622)	-0.0036 (0.364)	-0.0036 (0.349)	0.0186 (0.086)	0.0179 (0.104)	-0.0778 (0.004)	-0.0739 (0.006)	0.0011 (0.424)	0.0011 (0.439)	0.0503 (0.127)	0.0507 (0.119)
Acquirer Size	-0.0633 (0.377)	-0.0672 (0.353)	-0.0354 (0.256)	-0.0347 (0.263)	-0.1879 (0.178)	-0.1875 (0.177)	-0.6168 (0.065)	-0.6382 (0.053)	0.0157 (0.435)	0.0162 (0.419)	-0.4224 (0.324)	-0.4199 (0.331)
Acquirer Prior Performance	0.0811 (0.480)	0.0831 (0.464)	-0.0416 (0.464)	-0.0414 (0.466)	0.0967 (0.646)	0.0878 (0.677)	-0.7908 (0.354)	-0.7452 (0.367)	0.0347 (0.193)	0.0345 (0.194)	-1.0733 (0.109)	-1.0673 (0.110)
Acquirer Current Ratio	-0.0290 (0.204)	-0.0299 (0.188)	-0.0035 (0.779)	-0.0031 (0.806)	-0.1183 (0.045)	-0.1214 (0.046)	-0.0295 (0.797)	-0.0220 (0.848)	0.0036 (0.659)	0.0038 (0.648)	-0.0805 (0.472)	-0.0772 (0.491)
Acquirer # of Business Segments	0.0095 (0.531)	0.0095 (0.532)	-0.0027 (0.714)	-0.0029 (0.698)	0.0201 (0.424)	0.0229 (0.369)	-0.2973 (0.001)	-0.3076 (0.001)	0.0071 (0.114)	0.0070 (0.117)	0.0247 (0.799)	0.0223 (0.821)
Acquirer Firm Age	0.3992 (0.000)	0.3907 (0.000)	-0.1303 (0.000)	-0.1291 (0.000)	-2.2187 (0.000)	-2.2116 (0.000)	4.8242 (0.000)	4.7527 (0.000)	-0.0909 (0.000)	-0.0899 (0.000)	-1.0385 (0.001)	-1.0383 (0.002)
Acquirer Industry Concentration	-5.9722 (0.323)	-5.4344 (0.375)	2.2701 (0.320)	2.1181 (0.337)	36.2226 (0.017)	36.9396 (0.015)	-96.7705 (0.019)	-96.8322 (0.016)	-0.8379 (0.649)	-0.9101 (0.622)	5.4023 (0.871)	4.4110 (0.895)
Deal Relatedness	-0.0296 (0.722)	-0.0297 (0.723)	0.0432 (0.123)	0.0430 (0.126)	-0.0613 (0.710)	-0.0586 (0.721)	-0.0922 (0.855)	-0.1029 (0.838)	-0.0133 (0.507)	-0.0133 (0.508)	-0.5878 (0.032)	-0.5900 (0.031)
Majority Control Deal	-0.1331 (0.335)	-0.1329 (0.338)	-0.0073 (0.876)	-0.0075 (0.875)	-1.1193 (0.000)	-1.1180 (0.000)	-1.0683 (0.270)	-1.0722 (0.268)	0.0240 (0.626)	0.0240 (0.626)	1.4785 (0.013)	1.4773 (0.013)
Very Large Deal (\$1Bn+)	-0.0776 (0.544)	-0.0747 (0.557)	0.1124 (0.013)	0.1115 (0.015)	0.5461 (0.064)	0.5518 (0.063)	-1.1724 (0.079)	-1.1798 (0.079)	0.0180 (0.500)	0.0176 (0.514)	-0.3596 (0.536)	-0.3665 (0.532)
Crossborder Deal	-0.1999 (0.009)	-0.1991 (0.009)	-0.0447 (0.029)	-0.0447 (0.029)	0.3765 (0.017)	0.3746 (0.017)	0.4005 (0.348)	0.4120 (0.331)	-0.0386 (0.041)	-0.0387 (0.040)	-0.6972 (0.014)	-0.6963 (0.014)
Public Target	0.9409 (0.000)	0.9390 (0.000)	-0.0700 (0.024)	-0.0692 (0.025)	0.5852 (0.000)	0.5785 (0.000)	1.3407 (0.020)	1.3576 (0.019)	-0.0999 (0.000)	-0.0996 (0.000)	-2.6244 (0.000)	-2.6174 (0.000)
Deal Has Multiple Bidders	-0.4008 (0.410)	-0.3899 (0.418)	-0.0279 (0.826)	-0.0300 (0.814)	0.3460 (0.467)	0.3447 (0.471)	-1.0648 (0.565)	-1.0041 (0.582)	0.0131 (0.838)	0.0117 (0.854)	0.1830 (0.924)	0.1763 (0.927)
Stock Payment	0.3768 (0.000)	0.3744 (0.000)	-0.1182 (0.007)	-0.1173 (0.007)	0.3977 (0.023)	0.3914 (0.026)	-0.1855 (0.801)	-0.1733 (0.812)	-0.0590 (0.029)	-0.0586 (0.030)	-1.4952 (0.000)	-1.4882 (0.000)
Tender Offer	0.4338 (0.063)	0.4350 (0.063)	-0.0803 (0.079)	-0.0808 (0.077)	0.4168 (0.128)	0.4217 (0.125)	2.4469 (0.027)	2.4333 (0.028)	0.0109 (0.770)	0.0107 (0.773)	-0.6013 (0.483)	-0.6063 (0.480)
Hostile Deal	-0.9540 (0.003)	-0.9515 (0.003)	1.0037 (0.000)	1.0027 (0.000)	-2.3688 (0.000)	-2.3612 (0.000)	12.4148 (0.000)	12.3975 (0.000)	0.7118 (0.000)	0.7114 (0.000)	-8.8898 (0.000)	-8.8980 (0.000)
Target Has Financial Advisor	0.0258 (0.689)	0.0278 (0.665)	0.0140 (0.567)	0.0137 (0.578)	0.2468 (0.071)	0.2455 (0.072)	-0.1372 (0.669)	-0.1221 (0.701)	-0.0416 (0.012)	-0.0418 (0.012)	0.3699 (0.168)	0.3696 (0.167)
Acquirer Has Financial Advisor	-0.0358 (0.718)	-0.0383 (0.696)	0.0238 (0.502)	0.0241 (0.497)	0.3632 (0.010)	0.3652 (0.010)	-0.0726 (0.883)	-0.0937 (0.850)	-0.0596 (0.004)	-0.0593 (0.004)	-0.5363 (0.053)	-0.5362 (0.053)
Constant	-36.9588 (0.000)	-36.1555 (0.000)	12.8068 (0.000)	12.6980 (0.000)	315.0117 (0.000)	314.2499 (0.000)	-394.3544 (0.000)	-387.2472 (0.000)	9.3902 (0.000)	9.2954 (0.000)	134.0359 (0.000)	134.0925 (0.000)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Firm Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.1902	0.1904	0.1188	0.1187	0.2977	0.2976	0.1848	0.1852	0.1331	0.1332	0.4398	0.4397
N	3335	3335	3335	3335	3335	3335	3335	3335	3335	3335	3335	3335

p-values in parentheses; robust standard errors clustered by acquirer

4. Testing potential sample selection concerns

Survivorship Bias

Prior research on individual job performance has also documented an inverted-U relationship between tenure and performance, where survivorship bias is proposed as a potential explanation (Quinones et al., 1995; Sturman, 2003). Specifically, top performances are more likely to be promoted, while the bottom performers may exist the role, so those left in sample may have a high amount of experience simply because they have been around the longest.

To rule out this alternative explanation of survivorship bias, in addition to accounting for tenure in the job and in firm (included in all models), I also include CDEs' tenure in the corporate development function and rerun all the main analyses for H1 (Table 3 Models 7 to 12, as well as the main results model with alternative measures of firm experience and CEO experience), H2 (Table 6 Models 3 and 4) and H3 (Table 7 Model 3). In Table C10 below, the estimates on *CDE Tenure in Corporate Development Function* are negative in nearly all models, suggesting that survivorship bias is indeed a plausible concern. However, after accounting for this factor, the hypothesized inverted-U relationship between CDEs' M&A experience and performance and its interactive effects actually become larger in magnitude. This suggests that the observed effects persist even among CDEs that have the same tenure—i.e., CDEs are still gaining M&A-specific knowledge with each additional deal, and the results are not solely attributable to time spent in the corporate development function.

Online Appendix C - Sample Selection Bias
 TABLE C10. Robustness Check: Testing Survivorship Bias by Controlling for CDE Tenure in Corp Dev Function in Main Analyses
 DV = CAR [-1, +1]

	Replicate Models from Table 3						Use Alt. Measure of CEO Exp.: # Deals Before Firm						Replicate 112, 113 Tests																	
	Model 11: Alt. Model 12: Alt.						Table 3 Alt. Measure of Firm Exp. (# Deals)						When CEO Has More M&A Exp.: Table 6 Model 3						When CEO Has More M&A Exp.: Table 6 Model 4						When Firm Has Limited M&A Exp.: Table 7 Model 3					
	Model 7: CDE Exp. Squared	Model 8: All Squared	Model 9: Main	Model 10: Main with FE	CDE: # Deals Unit Focal Year	CDE: # Deals Unit Focal Deal	Table 3 Main with CEO Squared	Table 3 Main with CEO Squared	Table 3 All Squared	Model 8: All Squared	Model 3 Model 3	Model 3 Model 3	Model 3 Model 3	Model 3 Model 3	Model 3 Model 3	Model 3 Model 3	Model 3 Model 3	Model 3 Model 3	Model 3 Model 3	Model 3 Model 3	Model 3 Model 3	Model 3 Model 3	Model 3 Model 3	Model 3 Model 3	Model 3 Model 3	Model 3 Model 3	Model 3 Model 3	Model 3 Model 3		
CDE M&A Experience	0.0109 (0.001)	0.0129 (0.001)	0.0127 (0.000)	0.0147 (0.007)	0.0132 (0.002)	0.0134 (0.004)	0.0126 (0.000)	0.0117 (0.000)	0.0128 (0.000)	0.0127 (0.001)	0.0135 (0.009)	0.0135 (0.000)	0.0112 (0.002)																	
CDE M&A Experience Squared	-0.0041 (0.001)	-0.0049 (0.002)	-0.0050 (0.001)	-0.0051 (0.011)	-0.0038 (0.007)	-0.0037 (0.012)	-0.0049 (0.000)	-0.0044 (0.000)	-0.0049 (0.000)	-0.0048 (0.002)	-0.0052 (0.007)	-0.0052 (0.001)	-0.0046 (0.001)																	
CDE Tenure in Corporate Development Function	-0.0003 (0.069)	-0.0004 (0.082)	-0.0004 (0.065)	-0.0005 (0.205)	-0.0004 (0.029)	-0.0004 (0.032)	-0.0004 (0.055)	-0.0004 (0.072)	-0.0004 (0.051)	-0.0004 (0.074)	-0.0003 (0.134)	-0.0003 (0.072)	-0.0003 (0.149)																	
CDE Tenure in Current Job	-0.0003 (0.174)	-0.0003 (0.246)	-0.0002 (0.276)	0.0002 (0.703)	-0.0007 (0.009)	-0.0007 (0.008)	-0.0003 (0.230)	-0.0003 (0.158)	-0.0003 (0.223)	-0.0003 (0.215)	-0.0003 (0.247)	-0.0003 (0.246)	-0.0003 (0.258)																	
CDE Tenure in Firm	0.0000 (0.797)	0.0000 (0.819)	0.0000 (0.819)	-0.0001 (0.669)	0.0001 (0.632)	0.0001 (0.628)	0.0000 (0.727)	0.0001 (0.674)	0.0000 (0.728)	0.0000 (0.760)	0.0000 (0.744)	0.0000 (0.732)	-0.0000 (0.996)																	
Firm M&A Experience (Log)																														
Firm M&A Experience (Alt.: # Deals / 100)		-0.0022 (0.533)						-0.0010 (0.552)		-0.0023 (0.505)																				
Firm M&A Experience (Alt.: # Deals / 100) Squared		0.0003 (0.684)								0.0004 (0.559)																				
CEO M&A Experience		-0.0007 (0.930)	0.0024 (0.413)	0.0039 (0.355)	0.0011 (0.718)	0.0011 (0.721)	0.0047 (0.353)	0.0043 (0.406)	-0.0013 (0.907)	-0.0025 (0.821)			0.0021 (0.485)																	
CEO M&A Experience Squared		0.0030 (0.694)							0.0063 (0.527)	0.0073 (0.469)																				
Indicator = 1 if CEO Has More M&A Experience Than CDE											0.0019 (0.531)																			
CEO Has More M&A Experience * CDE Experience											-0.0904 (0.123)																			
CEO Has More M&A Experience * CDE Experience Squared											0.0000 (0.319)																			
M&A Experience Gap (# Deals) When CEO Has More Experience											0.0000 (0.123)																			
M&A Experience Gap * CDE Experience											-0.0002 (0.683)																			
M&A Experience Gap * CDE Experience Squared											0.0020 (0.004)																			
Indicator = 1 if Firm Has Limited Experience (< 18 Deals or 40th Percentile)																														
Limited Firm M&A Experience * CDE Experience											0.0013 (0.654)																			
Limited Firm M&A Experience * CDE Experience Squared											-0.0405 (0.035)																			
Limited Firm M&A Experience * CDE Experience Squared											0.0375 (0.026)																			
Constant	0.0316 (0.019)	0.0287 (0.054)	0.0294 (0.030)	-0.0531 (0.452)	0.0344 (0.010)	0.0349 (0.009)	0.0280 (0.040)	0.0284 (0.059)	0.0277 (0.042)	0.0276 (0.067)	0.0278 (0.040)	0.0292 (0.030)	0.0344 (0.024)																	
Controls																														
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes																	
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes																	
Firm Fixed Effects	No	No	No	Yes	No	No	Yes	No	No	No	No	No	No																	
R2	0.0294	0.0297	0.0302	0.0997	0.0306	0.0307	0.0303	0.0296	0.0304	0.0299	0.0313	0.0319	0.0303																	
N	3607	3607	3607	3607	3607	3607	3607	3607	3607	3607	3607	3607	3607																	

P-values in parentheses; robust standard errors clustered by acquirer

Results Driven by Outliers

Another potential concern is that the results may be driven by highly acquisitive firms or by transactions conducted during periods of extreme macroeconomic volatility. To test this, I sequentially exclude the most frequent and largest acquirers from the sample (Apple, Cisco, Google, IBM, Intel, and Microsoft), as well as all deals announced prior to 2001 during the dot-com bubble. Tables C11 through C14 report the results of these tests, which replicate the main models for H1 (Table 3 Model 9), H2 (Table 6 Models 3 and 4), and H3 (Table 7 Model 3). The overall patterns remain consistent across all tables, suggesting that the main findings are not unduly influenced by outlier firms or time-specific shocks.

Online Appendix C - Sample Selection Bias

TABLE C11. Robustness Check Testing Sample Selection Bias with Subsample Analyses - H1

DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	<i>Sub-Sample Analyses: Exclude Deals from ...</i>						Dot-Com Bubble (1995-2000)
	Apple	Cisco	Google	IBM	Intel	Microsoft	
CDE M&A Experience	0.0086 (0.010)	0.0090 (0.014)	0.0111 (0.003)	0.0073 (0.039)	0.0083 (0.014)	0.0085 (0.019)	0.0075 (0.040)
CDE M&A Experience Squared	-0.0040 (0.005)	-0.0039 (0.008)	-0.0048 (0.002)	-0.0034 (0.021)	-0.0039 (0.008)	-0.0041 (0.005)	-0.0030 (0.039)
Firm M&A Experience	-0.0016 (0.164)	-0.0024 (0.070)	-0.0018 (0.143)	-0.0016 (0.168)	-0.0016 (0.170)	-0.0016 (0.154)	-0.0002 (0.870)
CEO M&A Experience	0.0032 (0.280)	0.0042 (0.160)	0.0043 (0.212)	0.0039 (0.232)	0.0035 (0.236)	0.0020 (0.487)	0.0002 (0.939)
Constant	0.0247 (0.060)	0.0164 (0.203)	0.0290 (0.030)	0.0261 (0.059)	0.0240 (0.075)	0.0258 (0.047)	0.0257 (0.012)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0297	0.0317	0.0308	0.0298	0.0317	0.0303	0.0282
N	3574	3406	3413	3402	3474	3431	2888

p-values in parentheses; robust standard errors clustered by acquirer

Online Appendix C - Sample Selection Bias

TABLE C12. Robustness Check Testing Sample Selection Bias with Subsample Analyses - H2

DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	<u>Sub-Sample Analyses: Exclude Deals from ...</u>						Dot-Com Bubble (1995-2000)
	Apple	Cisco	Google	IBM	Intel	Microsoft	
CDE M&A Experience	0.0111 (0.043)	0.0135 (0.033)	0.0123 (0.029)	0.0101 (0.075)	0.0109 (0.046)	0.0106 (0.058)	0.0070 (0.182)
CDE M&A Experience Squared	-0.0049 (0.019)	-0.0055 (0.018)	-0.0052 (0.016)	-0.0044 (0.040)	-0.0048 (0.023)	-0.0049 (0.019)	-0.0029 (0.143)
Indicator =1 if CEO Has More M&A Experience Than CDE	0.0025 (0.394)	0.0036 (0.261)	0.0020 (0.490)	0.0026 (0.388)	0.0026 (0.382)	0.0023 (0.440)	0.0002 (0.937)
CEO Has More M&A Experience * CDE Experience	-0.1071 (0.059)	-0.1007 (0.083)	-0.0958 (0.102)	-0.1059 (0.058)	-0.1064 (0.071)	-0.1019 (0.067)	-0.0790 (0.109)
CEO Has More M&A Experience * CDE Experience Squared	0.2110 (0.041)	0.1965 (0.064)	0.1924 (0.072)	0.2118 (0.038)	0.2087 (0.051)	0.2054 (0.042)	0.1715 (0.067)
Firm M&A Experience	-0.0016 (0.174)	-0.0023 (0.085)	-0.0016 (0.172)	-0.0016 (0.183)	-0.0015 (0.189)	-0.0016 (0.159)	-0.0001 (0.902)
Constant	0.0240 (0.070)	0.0161 (0.217)	0.0276 (0.042)	0.0266 (0.059)	0.0233 (0.085)	0.0254 (0.051)	0.0251 (0.016)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0311	0.0332	0.0318	0.0313	0.0331	0.0318	0.0297
N	3574	3406	3413	3402	3474	3431	2888

p-values in parentheses; robust standard errors clustered by acquirer

Online Appendix C - Sample Selection Bias

TABLE C13. Robustness Check Testing Sample Selection Bias with Subsample Analyses - H2

DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	<u>Sub-Sample Analyses: Exclude Deals from ...</u>						Dot-Com Bubble (1995-2000)
	Apple	Cisco	Google	IBM	Intel	Microsoft	
CDE M&A Experience	0.0097 (0.009)	0.0105 (0.011)	0.0111 (0.008)	0.0087 (0.021)	0.0095 (0.011)	0.0093 (0.017)	0.0067 (0.063)
CDE M&A Experience Squared	-0.0043 (0.005)	-0.0044 (0.008)	-0.0047 (0.007)	-0.0039 (0.014)	-0.0042 (0.007)	-0.0044 (0.005)	-0.0027 (0.063)
M&A Experience Gap (# Deals) When CEO Has More Experience	0.0000 (0.220)	0.0000 (0.148)	0.0000 (0.418)	0.0001 (0.101)	0.0000 (0.171)	0.0000 (0.303)	-0.0000 (0.924)
M&A Experience Gap * CDE Experience	-0.0006 (0.175)	-0.0005 (0.255)	-0.0003 (0.601)	-0.0008 (0.087)	-0.0006 (0.185)	-0.0006 (0.238)	-0.0001 (0.788)
M&A Experience Gap * CDE Experience Squared	0.0025 (0.000)	0.0023 (0.000)	0.0020 (0.003)	0.0027 (0.000)	0.0025 (0.000)	0.0024 (0.000)	0.0019 (0.001)
Firm M&A Experience	-0.0017 (0.155)	-0.0024 (0.070)	-0.0017 (0.153)	-0.0016 (0.155)	-0.0016 (0.160)	-0.0017 (0.140)	-0.0002 (0.865)
Constant	0.0248 (0.061)	0.0166 (0.202)	0.0284 (0.035)	0.0265 (0.056)	0.0241 (0.075)	0.0258 (0.048)	0.0250 (0.014)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0313	0.0333	0.0322	0.0316	0.0334	0.0321	0.0306
N	3574	3406	3413	3402	3474	3431	2888

p-values in parentheses; robust standard errors clustered by acquirer

TABLE C14. Robustness Check Testing Sample Selection Bias with Subsample Analyses - H3

DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	<i>Sub-Sample Analyses: Exclude Deals from ...</i>						Dot-Com Bubble (1995-2000)
	Apple	Cisco	Google	IBM	Intel	Microsoft	
CDE M&A Experience	0.0083 (0.021)	0.0084 (0.035)	0.0115 (0.001)	0.0064 (0.097)	0.0081 (0.026)	0.0080 (0.050)	0.0100 (0.003)
CDE M&A Experience Squared	-0.0040 (0.006)	-0.0038 (0.014)	-0.0050 (0.001)	-0.0032 (0.032)	-0.0039 (0.008)	-0.0040 (0.009)	-0.0041 (0.002)
Indicator =1 if Firm Has Limited Experience (< 18 Deals or 40th Percentile)	0.0016 (0.598)	0.0012 (0.697)	0.0021 (0.473)	0.0017 (0.569)	0.0021 (0.474)	0.0011 (0.722)	0.0001 (0.966)
Limited Firm M&A Experience * CDE Experience	-0.0452 (0.014)	-0.0515 (0.009)	-0.0479 (0.013)	-0.0455 (0.014)	-0.0494 (0.007)	-0.0451 (0.015)	-0.0514 (0.006)
Limited Firm M&A Experience * CDE Experience Squared	0.0420 (0.010)	0.0476 (0.006)	0.0378 (0.022)	0.0438 (0.007)	0.0459 (0.005)	0.0427 (0.010)	0.0389 (0.015)
CEO M&A Experience	0.0029 (0.328)	0.0030 (0.297)	0.0033 (0.330)	0.0040 (0.215)	0.0032 (0.274)	0.0016 (0.575)	-0.0000 (0.991)
Constant	0.0312 (0.035)	0.0247 (0.106)	0.0340 (0.024)	0.0323 (0.045)	0.0293 (0.055)	0.0333 (0.025)	0.0316 (0.014)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0301	0.0318	0.0313	0.0304	0.0324	0.0308	0.0307
N	3574	3406	3413	3402	3474	3431	2888

p-values in parentheses; robust standard errors clustered by acquirer

Results Driven by Non-US Firms

Another potential sample selection concern is that the current results are driven by outlier firms that are not headquartered in the U.S. During the sample construction process, I did not restrict the S&P 500 IT firms by home country. However, the vast majority are U.S.-based; only 5 out of 112 firms in the final sample are headquartered outside the United States. In Table C15, I exclude these 5 non-U.S. firms and rerun the main analyses for H1, H2, and H3. The results remain consistent with the full-sample findings, suggesting that the observed relationships are not driven by firms headquartered outside the U.S.

TABLE C15. Robustness Check of H1, H2 and H3 Main Results Excluding Non-US Headquartered S&P 500 IT Firms from Sample

DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Testing H2				Testing H3		
	Baseline H1 with Firm FE (Table 3 Model 10)	<i>Subsample:</i> When CEO Has More M&A Experience Than CDE	<i>Subsample:</i> When CEO Has Less M&A Experience Than CDE	<i>Full Sample:</i> CEO Has More x CDE M&A Exp. and Exp. Sq	<i>Full Sample:</i> CEO M&A Exp. Gap x CDE M&A Exp. and Exp. Squared	<i>Subsample:</i> 18+ Deals (≥40th Percentile)	<i>Subsample:</i> < 18 Deals (40th Percentile)	<i>Full Sample:</i> Limited Firm M&A Exp. x CDE M&A Exp. and Exp. Sq
CDE M&A Experience	0.0096 (0.006)	-0.0996 (0.038)	0.0099 (0.092)	0.0117 (0.035)	0.0109 (0.005)	-0.0511 (0.036)	0.0092 (0.002)	0.0085 (0.019)
CDE M&A Experience Squared	-0.0045 (0.002)	0.2197 (0.017)	-0.0043 (0.062)	-0.0052 (0.014)	-0.0049 (0.002)	0.0583 (0.018)	-0.0042 (0.001)	-0.0041 (0.004)
Indicator =1 if CEO Has More M&A Experience Than CDE				0.0024 (0.420)				
CEO Has More M&A Experience * CDE Experience				-0.1004 (0.073)				
CEO Has More M&A Experience * CDE Experience Squared				0.2008 (0.053)				
M&A Experience Gap (# Deals) When CEO Has More Experience					0.0000 (0.132)			
M&A Experience Gap * CDE Experience					-0.0005 (0.231)			
M&A Experience Gap * CDE Experience Squared					0.0024 (0.000)			
Indicator =1 if Firm Has Limited Experience								0.0015 (0.626)
Limited Firm M&A Experience * CDE Experience								-0.0430 (0.030)
Limited Firm M&A Experience * CDE Experience Squared								0.0401 (0.024)
Firm M&A Experience	-0.0019 (0.131)	-0.0018 (0.400)	-0.0006 (0.675)	-0.0018 (0.159)	-0.0019 (0.123)			
CEO M&A Experience	0.0040 (0.189)					-0.0031 (0.717)	0.0052 (0.047)	0.0032 (0.289)
Constant	0.0231 (0.082)	-0.0284 (0.099)	0.0468 (0.006)	0.0227 (0.091)	0.0234 (0.079)	0.0678 (0.025)	-0.0094 (0.321)	0.0308 (0.048)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0300	0.0628	0.0387	0.0312	0.0318	0.0548	0.0425	0.0301
N	3502	1493	2009	3502	3502	1377	2125	3502

p-values in parentheses; robust standard errors clustered by acquirer

5. Testing other potential omitted variable concerns

Variance in Corporate Development Functions Hierarchy and Responsibilities Across Firms

As noted in the Limitations section (Section 5.2) of the main text, one possible concern with the main analyses is that I did not account for cross-firm variation in CDEs' reporting structures, scopes of responsibilities, power dynamics, and the size and experience of the corporate development team. These factors could influence M&A performance or introduce bias into the relationships identified in the study. As I do not have access to detailed internal firm data on CDEs' roles and responsibilities or the structure of corporate development function for all the firms in my sample, I collected everything I could find in publicly available sources (especially LinkedIn, Glassdoor,

company press releases, and blog posts) on each CDE's scope of responsibilities, reporting structure, descriptions of the corporate development function, and how they interacted with other actors inside the firm. I was able to find detailed information on the direct reporting lines for ~10% of the sample (most reported directly to the CEO), and scope of responsibilities for ~20% of the sample. In addition, I collected all the 10-Ks of the companies in the sample, and coded whether each CDE was listed as an Executive Officer in the 10-K (~21% of CDEs are).

In Table C16 below, I test H1, H2 and H3 by including the indicator *Has Evidence That CDE Reported to the CEO*. In Table C17 below, I test H1, H2 and H3 by including the indicator *CDE is an Executive Officer Listed in the 10-K*. In Tables C18, C19 and C20, I test H1, H2 and H3 by including the indicators for CDE having non-M&A responsibilities, including alliances, CVC, licensing of IP, and other corporate development activities. I find robust results across all models. Interestingly, the indicator for *CDE Has Alliance Responsibilities* is positive with p-value < .05 in Tables C18, C19 and C20, suggesting that there might be positive learning spillover effects when CDEs are working on multiple modes of corporate development, similar to the findings by Zollo & Reuer (2010). Taken together with the firm fixed effects results from Table C7, these analyses suggest that variation in hierarchy, reporting lines, responsibility scope, or corporate development team structure is unlikely to be the primary driver of the relationships proposed in H1, H2, and H3. However, given the importance of these organizational design factors, future research should further explore these factors, possibly with a different research design that combines internal firm data on the corporate development function with archival data on the M&A experiences of the key stakeholders involved in the M&A process.

TABLE C16. Robustness Check Testing Omitted Variable: Has Evidence that the CDE Directly Reported to the CEO
DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Testing H2				Testing H3		
	Baseline H1 with Firm FE (Table 3 Model 10)	<i>Subsample:</i> When CEO Has More M&A Experience Than CDE	<i>Subsample:</i> When CEO Has Less M&A Experience Than CDE	<i>Full Sample:</i> CEO Has More x CDE M&A Experience and Exp. Sq	<i>Full Sample:</i> CEO M&A x CDE M&A Experience and Exp. Squared	<i>Subsample:</i> 18+ Deals (≥40th Percentile)	<i>Subsample:</i> < 18 Deals (40th Percentile)	<i>Full Sample:</i> Limited Firm M&A Exp. x CDE M&A Exp. and Exp. Sq
CDE M&A Experience	0.0086 (0.011)	-0.1003 (0.034)	0.0097 (0.090)	0.0108 (0.047)	0.0095 (0.010)	-0.0498 (0.013)	0.0096 (0.001)	0.0083 (0.020)
CDE M&A Experience Squared	-0.0040 (0.006)	0.2175 (0.015)	-0.0043 (0.060)	-0.0047 (0.023)	-0.0042 (0.006)	0.0562 (0.005)	-0.0043 (0.001)	-0.0039 (0.006)
Has Evidence That CDE Reported to the CEO	0.0005 (0.832)	0.0034 (0.285)	-0.0054 (0.237)	0.0000 (0.994)	-0.0000 (0.996)	0.0024 (0.665)	0.0017 (0.463)	0.0006 (0.765)
Indicator =1 if CEO Has More M&A Experience Than CDE				0.0023 (0.436)				
CEO Has More M&A Experience * CDE Experience				-0.1051 (0.064)				
CEO Has More M&A Experience * CDE Experience Squared				0.2082 (0.043)				
M&A Experience Gap (# Deals) When CEO Has More Experience					0.0000 (0.237)			
M&A Experience Gap * CDE Experience					-0.0006 (0.185)			
M&A Experience Gap * CDE Experience Squared					0.0025 (0.000)			
Indicator =1 if Firm Has Limited Experience								0.0016 (0.596)
Limited Firm M&A Experience * CDE Experience								-0.0451 (0.015)
Limited Firm M&A Experience * CDE Experience Squared								0.0418 (0.010)
Firm M&A Experience	-0.0016 (0.160)	-0.0018 (0.376)	-0.0007 (0.608)	-0.0016 (0.175)	-0.0017 (0.149)	-0.0051 (0.545)	0.0053 (0.054)	0.0027 (0.362)
CEO M&A Experience	0.0031 (0.300)							
Constant	0.0247 (0.057)	-0.0248 (0.151)	0.0467 (0.006)	0.0241 (0.065)	0.0247 (0.059)	0.0619 (0.035)	-0.0083 (0.376)	0.0310 (0.036)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0295	0.0612	0.0409	0.0309	0.0311	0.0513	0.0439	0.0299
N	3607	1524	2083	3607	3607	1450	2157	3607

p-values in parentheses; robust standard errors clustered by acquirer

TABLE C17. Robustness Check Testing Omitted Variable: CDE is an Executive Officer Listed in the 10-K
DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Testing H2				Testing H3		
	Baseline H1 with Firm FE (Table 3 Model 10)	<i>Subsample:</i> When CEO Has More M&A Experience Than CDE	<i>Subsample:</i> When CEO Has Less M&A Experience Than CDE	<i>Full Sample:</i> CEO Has More x CDE M&A Experience and Exp. Sq	<i>Full Sample:</i> CEO M&A Experience Gap x CDE M&A Experience and Exp. Squared	<i>Subsample:</i> 18+ Deals (≥ 40 th Percentile)	<i>Subsample:</i> < 18 Deals (40th Percentile)	<i>Full Sample:</i> Limited Firm M&A Exp. x CDE M&A Exp. and Exp. Sq
CDE M&A Experience	0.0084 (0.014)	-0.1005 (0.026)	0.0090 (0.102)	0.0106 (0.051)	0.0094 (0.013)	-0.0528 (0.010)	0.0092 (0.002)	0.0081 (0.025)
CDE M&A Experience Squared	-0.0039 (0.007)	0.2258 (0.009)	-0.0040 (0.069)	-0.0047 (0.023)	-0.0042 (0.007)	0.0583 (0.004)	-0.0041 (0.002)	-0.0039 (0.007)
CDE is an Executive Officer Listed in the 10-K	-0.0013 (0.608)	-0.0024 (0.598)	-0.0015 (0.674)	-0.0014 (0.568)	-0.0013 (0.609)	-0.0035 (0.412)	0.0003 (0.913)	-0.0018 (0.485)
Indicator =1 if CEO Has More M&A Experience Than CDE				0.0024 (0.422)				
CEO Has More M&A Experience * CDE Experience				-0.1040 (0.060)				
CEO Has More M&A Experience * CDE Experience Squared				0.2093 (0.037)				
M&A Experience Gap (# Deals) When CEO Has More Experience					0.0000 (0.238)			
M&A Experience Gap * CDE Experience					-0.0006 (0.184)			
M&A Experience Gap * CDE Experience Squared					0.0025 (0.000)			
Indicator =1 if Firm Has Limited Experience								0.0018 (0.536)
Limited Firm M&A Experience * CDE Experience								-0.0469 (0.013)
Limited Firm M&A Experience * CDE Experience Squared								0.0434 (0.010)
Firm M&A Experience	-0.0016 (0.166)	-0.0016 (0.435)	-0.0004 (0.725)	-0.0016 (0.182)	-0.0016 (0.157)			
CEO M&A Experience	0.0032 (0.295)					-0.0039 (0.657)	0.0050 (0.061)	0.0028 (0.347)
Constant	0.0246 (0.060)	-0.0273 (0.118)	0.0476 (0.005)	0.0241 (0.068)	0.0247 (0.061)	0.0590 (0.053)	-0.0090 (0.332)	0.0304 (0.040)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0296	0.0611	0.0407	0.0310	0.0313	0.0519	0.0437	0.0301
N	3607	1524	2083	3607	3607	1450	2157	3607

p-values in parentheses; robust standard errors clustered by acquirer

Online Appendix C - Omitted Variable Bias

TABLE C18. Robustness Check Testing Omitted Variable Bias Arising from Non-M&A Responsibilities - H1

DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)
CDE M&A Experience	0.0093 (0.007)	0.0092 (0.005)	0.0084 (0.011)	0.0089 (0.013)	0.0102 (0.003)	0.0101 (0.003)
CDE M&A Experience Squared	-0.0041 (0.005)	-0.0041 (0.003)	-0.0040 (0.006)	-0.0041 (0.007)	-0.0044 (0.003)	-0.0043 (0.002)
Firm M&A Experience	-0.0019 (0.090)	-0.0018 (0.133)	-0.0017 (0.132)	-0.0016 (0.198)	-0.0020 (0.080)	-0.0017 (0.126)
CEO M&A Experience	0.0034 (0.237)	0.0030 (0.299)	0.0026 (0.395)	0.0029 (0.330)	0.0025 (0.377)	0.0028 (0.333)
CDE Has Alliance Responsibilities	0.0041 (0.045)				0.0042 (0.046)	
CDE Has CVC Responsibilities		0.0018 (0.412)			0.0018 (0.346)	
CDE Also Works on Licensing of IP			-0.0077 (0.118)		-0.0092 (0.044)	
CDE Also Works on Other Corporate Development Activities				0.0013 (0.697)	0.0014 (0.684)	
CDE Has Non-M&A Responsibilities (Any of the Above)						0.0026 (0.155)
Constant	0.0225 (0.099)	0.0247 (0.062)	0.0247 (0.055)	0.0247 (0.056)	0.0228 (0.095)	0.0250 (0.059)
Controls	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0308	0.0297	0.0305	0.0295	0.0323	0.0302
N	3607	3607	3607	3607	3607	3607

p-values in parentheses; robust standard errors clustered by acquirer

TABLE C19. Robustness Check Testing Omitted Variable Bias Arising from Non-M&A Responsibilities - H2

DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
CDE M&A Experience	0.0120 (0.023)	0.0115 (0.032)	0.0098 (0.068)	0.0111 (0.044)	0.0121 (0.023)	0.0126 (0.019)	0.0105 (0.005)	0.0100 (0.007)	0.0091 (0.014)	0.0098 (0.010)	0.0108 (0.005)	0.0107 (0.004)
CDE M&A Experience Squared	-0.0050 (0.012)	-0.0049 (0.016)	-0.0045 (0.031)	-0.0049 (0.021)	-0.0050 (0.013)	-0.0052 (0.011)	-0.0044 (0.004)	-0.0043 (0.005)	-0.0041 (0.008)	-0.0043 (0.006)	-0.0045 (0.004)	-0.0045 (0.003)
Indicator =1 if CEO Has More M&A Experience Than CDE	0.0027 (0.347)	0.0023 (0.428)	0.0017 (0.553)	0.0023 (0.436)	0.0020 (0.497)	0.0025 (0.400)						
CEO Has More M&A Experience * CDE Experience	-0.0982 (0.081)	-0.1082 (0.038)	-0.1052 (0.061)	-0.1043 (0.063)	-0.1006 (0.046)	-0.1066 (0.037)						
CEO Has More M&A Experience * CDE Experience Squared	0.1984 (0.054)	0.2145 (0.024)	0.2088 (0.042)	0.2075 (0.042)	0.2052 (0.028)	0.2143 (0.021)						
M&A Experience Gap (# Deals) When CEO Has More Experience							0.0000 (0.155)	0.0000 (0.248)	0.0000 (0.330)	0.0000 (0.291)	0.0000 (0.337)	0.0000 (0.331)
M&A Experience Gap * CDE Experience							-0.0006 (0.216)	-0.0007 (0.138)	-0.0006 (0.173)	-0.0006 (0.202)	-0.0006 (0.139)	-0.0007 (0.138)
M&A Experience Gap * CDE Experience Squared							0.0024 (0.000)	0.0025 (0.000)	0.0025 (0.000)	0.0024 (0.000)	0.0025 (0.000)	0.0026 (0.000)
Firm M&A Experience	-0.0019 (0.097)	-0.0018 (0.140)	-0.0017 (0.149)	-0.0015 (0.211)	-0.0020 (0.086)	-0.0017 (0.131)	-0.0019 (0.082)	-0.0018 (0.129)	-0.0018 (0.126)	-0.0016 (0.190)	-0.0021 (0.078)	-0.0017 (0.124)
CDE Has Alliance Responsibilities	0.0041 (0.047)				0.0040 (0.057)		0.0042 (0.043)				0.0042 (0.043)	
CDE Has CVC Responsibilities		0.0020 (0.359)			0.0021 (0.311)		0.0017 (0.438)				0.0018 (0.375)	
CDE Also Works on Licensing of IP			-0.0075 (0.127)		-0.0090 (0.052)				-0.0077 (0.115)		-0.0093 (0.043)	
CDE Also Works on Other Corporate Development Activities				0.0014 (0.667)	0.0016 (0.645)					0.0012 (0.721)	0.0013 (0.707)	
CDE Has Non-M&A Responsibilities (Any of the Above)						0.0029 (0.114)						0.0026 (0.162)
Constant	0.0221 (0.108)	0.0242 (0.070)	0.0241 (0.063)	0.0243 (0.062)	0.0224 (0.105)	0.0246 (0.065)	0.0226 (0.098)	0.0247 (0.063)	0.0247 (0.057)	0.0247 (0.058)	0.0227 (0.100)	0.0249 (0.061)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0322	0.0312	0.0318	0.0310	0.0337	0.0318	0.0325	0.0314	0.0321	0.0312	0.0340	0.0319
N	3607	3607	3607	3607	3607	3607	3607	3607	3607	3607	3607	3607

p-values in parentheses; robust standard errors clustered by acquirer

TABLE C20. Robustness Check Testing Omitted Variable Bias Arising from Non-M&A Responsibilities - H3

DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)
CDE M&A Experience	0.0090 (0.014)	0.0085 (0.013)	0.0079 (0.025)	0.0087 (0.026)	0.0096 (0.014)	0.0096 (0.007)
CDE M&A Experience Squared	-0.0040 (0.005)	-0.0039 (0.005)	-0.0038 (0.007)	-0.0041 (0.009)	-0.0042 (0.006)	-0.0042 (0.003)
Indicator =1 if Firm Experience < 18 Deals (40th Percentile)	0.0023 (0.432)	0.0017 (0.572)	0.0019 (0.501)	0.0014 (0.647)	0.0027 (0.358)	0.0016 (0.593)
Limited Firm M&A Experience * CDE Experience	-0.0509 (0.005)	-0.0440 (0.018)	-0.0437 (0.019)	-0.0442 (0.018)	-0.0475 (0.011)	-0.0456 (0.014)
Limited Firm M&A Experience * CDE Experience Squared	0.0463 (0.005)	0.0409 (0.012)	0.0405 (0.014)	0.0408 (0.013)	0.0429 (0.009)	0.0422 (0.011)
CEO M&A Experience	0.0029 (0.308)	0.0026 (0.373)	0.0022 (0.470)	0.0024 (0.403)	0.0020 (0.471)	0.0024 (0.421)
CDE Has Alliance Responsibilities	0.0043 (0.041)				0.0045 (0.040)	
CDE Has CVC Responsibilities		0.0011 (0.620)			0.0011 (0.606)	
CDE Also Works on Licensing of IP			-0.0072 (0.143)		-0.0086 (0.063)	
CDE Also Works on Other Corporate Development Activities				0.0016 (0.640)	0.0015 (0.660)	
CDE Has Non-M&A Responsibilities (Any of the Above)						0.0025 (0.170)
Constant	0.0281 (0.071)	0.0306 (0.041)	0.0300 (0.041)	0.0311 (0.034)	0.0271 (0.084)	0.0314 (0.037)
Controls	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0313	0.0300	0.0308	0.0300	0.0326	0.0306
N	3607	3607	3607	3607	3607	3607

p-values in parentheses; robust standard errors clustered by acquirer

Reputation Spillovers

Prior research has shown that firm reputation and celebrity status can influence stock market reactions to unexpected announcements (Haleblian et al., 2017; Pfarrer et al., 2010). To test whether this might bias the observed relationships, I collect data on Fortune rankings from 1995 to 2015 and calculate depreciated firm reputation scores following the approach of Haleblian et al. (2017). In Table C21 below, I replicate models testing H1 (Table 3 Models 7 to 12), H2 (Table 6 Model 3 and 4), and H3 (Table 7 Model 3), and include interaction terms between high-reputation firms and CDE M&A experience. The results for H1, H2, and H3 remain robust, and there is no clear association between high reputation and variation in the performance effects of CDE experience.

Online Appendix C - Omitted Variable Bias
TABLE C21. Robustness Check Testing Omitted Variable: Reputation Spillovers
DV = CAR [-1, +1]

	Replicate Models from Table 3						Testing Intention:			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Model 7: CDE Exp- Squared	Model 8: All Squared	Model 9: Main	Model 10: Main with FE	Model 11: Alt. Measure of CDE (# of CDE Unit Deals Year) Focal Year	Model 12: Alt. Measure of CDE (# of CDE Unit Deals Deal) Focal Deal	CDE Experience x High Reputation	When CEO Has More M&A Exp: Table 6	Has More M&A Exp: Table 6	When Firm Has Limited M&A Exp: Table 7
CDE M&A Experience	0.0069 (0.019)	0.0083 (0.019)	0.0085 (0.010)	0.0095 (0.027)	0.0082 (0.055)	0.0085 (0.040)	0.0072 (0.087)	0.0107 (0.047)	0.0094 (0.009)	0.0081 (0.021)
CDE M&A Experience Squared	-0.0032 (0.014)	-0.0037 (0.017)	-0.0039 (0.006)	-0.0038 (0.039)	-0.0025 (0.064)	-0.0025 (0.079)	-0.0034 (0.032)	-0.0047 (0.022)	-0.0042 (0.006)	-0.0039 (0.007)
High Reputation Firm	0.0013 (0.676)	0.0008 (0.825)	0.0009 (0.792)	0.0003 (0.956)	0.0012 (0.734)	0.0011 (0.758)	-0.0001 (0.985)	0.0010 (0.769)	0.0009 (0.771)	0.0009 (0.786)
High Reputation Firm x CDE M&A Experience							0.0086 (0.629)			
High Reputation Firm x CDE M&A Experience Squared							-0.0059 (0.663)			
CEO M&A Experience		-0.0001 (0.990)	0.0028 (0.399)	0.0039 (0.399)	0.0016 (0.614)	0.0016 (0.606)	0.0029 (0.371)			0.0023 (0.467)
CEO M&A Experience Squared		0.0023 (0.766)								
Firm M&A Experience (Log)										
Firm M&A Experience (Alt.: # Deals / 100)		-0.0018 (0.624)	-0.0016 (0.155)	-0.0054 (0.151)	-0.0020 (0.098)	-0.0020 (0.091)	-0.0016 (0.160)	-0.0016 (0.168)	-0.0017 (0.146)	
Firm M&A Experience (Alt.: # Deals / 100) Squared		0.0004 (0.598)								
Indicator = 1 if CEO Has More M&A Experience Than CDE										
CEO Has More M&A Experience * CDE Experience								0.0023 (0.448)		
CEO Has More M&A Experience * CDE Experience Squared								-0.1030 (0.079)		
M&A Experience Gap (# Deals) When CEO Has More Experience								0.0000 (0.303)		
M&A Experience Gap * CDE Experience								-0.0005 (0.308)		
M&A Experience Gap * CDE Experience Squared								0.0024 (0.001)		
Indicator = 1 if Firm Has Limited Experience										
Limited Firm M&A Experience * CDE Experience										0.0015 (0.617)
Limited Firm M&A Experience * CDE Experience Squared										-0.0450 (0.015)
Constant	0.0287 (0.039)	0.0268 (0.087)	0.0258 (0.062)	-0.0768 (0.306)	0.0293 (0.045)	0.0296 (0.044)	0.0256 (0.074)	0.0255 (0.008)	0.0260 (0.061)	0.0324 (0.043)
Controls		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Firm Fixed Effects		No	No	Yes	No	No	No	No	No	No
R2	0.0288	0.0289	0.0295	0.0992	0.0296	0.0297	0.0296	0.0309	0.0312	0.0299
N	3607	3607	3607	3607	3607	3607	3607	3607	3607	3607

p-values in parentheses; robust standard errors clustered by acquirer

Target-Related Omitted Variable Concerns

Another potential concern is that the main results are driven by certain omitted variable biases arising from target-related factors, such as the availability of targets (which may bid up the price paid for a given transaction, influence new inorganic growth strategies, etc.), prior interactions between

targets and acquirers (alliances, non-equity partnerships), and prior experience of the financial advisors with the target industry (acquirer's advisor may be driving the deal execution process instead of the CDE, or target's advisor may know about the target selection criteria of the CDE, etc.). Tables C22 through C25 below account for these omitted variable concerns by replicating the analyses for Table 3 Model 9 (H1 main results), Table 6 Models 3 and 4 (H2 main results), and Table 7 Model 3 (H3 main results). The findings for H1, H2 and H3 remain robust across all tables, suggesting that the results are not primarily driven by target-related omitted variables.

Online Appendix C - Omitted Variable Bias

TABLE C22. Robustness Check Testing Omitted Variable Bias Arising from Target-Related Factors - H1

DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	<u>Target Industry M&A Activity Last Year:</u>				Target Fin. Advisors' Experience in Target Sector		Acq. Fin. Advisors' Experience in Target Sector		Prior Alliance btw Target and
	SIC 4	SIC 4	SIC 3	SIC 3	SIC 4	SIC 3	SIC 4	SIC 3	
CDE M&A Experience	0.0087 (0.010)	0.0086 (0.011)	0.0084 (0.011)	0.0084 (0.011)	0.0086 (0.011)	0.0081 (0.015)	0.0085 (0.011)	0.0079 (0.019)	0.0083 (0.012)
CDE M&A Experience Squared	-0.0040 (0.006)	-0.0040 (0.006)	-0.0038 (0.008)	-0.0038 (0.007)	-0.0040 (0.006)	-0.0038 (0.008)	-0.0039 (0.007)	-0.0034 (0.021)	-0.0039 (0.007)
Firm M&A Experience	-0.0016 (0.178)	-0.0016 (0.168)	-0.0015 (0.206)	-0.0015 (0.187)	-0.0016 (0.158)	-0.0015 (0.204)	-0.0016 (0.161)	-0.0014 (0.221)	-0.0016 (0.157)
CEO M&A Experience	0.0030 (0.314)	0.0031 (0.294)	0.0028 (0.355)	0.0030 (0.314)	0.0030 (0.310)	0.0027 (0.351)	0.0030 (0.307)	0.0027 (0.369)	0.0032 (0.285)
Target Sector (SIC 4) Deal Activity (# Deals)	-0.0000 (0.331)								
Target Sector (SIC 4) Deal Activity (\$MM)		-0.0000 (0.384)							
Target Sector (SIC 3) Deal Activity (# Deals)			-0.0000 (0.228)						
Target Sector (SIC 3) Deal Activity (\$MM)				-0.0000 (0.155)					
Target's FA Prior Exp in Target Sector (SIC 4)					-0.0001 (0.591)				
Target's FA Prior Exp in Target Sector (SIC 3)						-0.0003 (0.067)			
Acquirer's FA Prior Exp in Target Sector (SIC 4)							-0.0003 (0.557)		
Acquirer's FA Prior Exp in Target Sector (SIC 3)								-0.0006 (0.090)	
Prior Alliances/Partnerships Between Target & Acquirer									0.0077 (0.349)
Constant	0.0236 (0.072)	0.0242 (0.062)	0.0224 (0.092)	0.0228 (0.080)	0.0241 (0.065)	0.0220 (0.088)	0.0245 (0.060)	0.0242 (0.062)	0.0242 (0.064)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0298	0.0298	0.0303	0.0304	0.0296	0.0323	0.0297	0.0336	0.0301
N	3607	3607	3607	3607	3607	3607	3607	3607	3607

p-values in parentheses; robust standard errors clustered by acquirer

TABLE C23. Robustness Check Testing Omitted Variable Bias Arising from Target-Related Factors - H2

DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	<u>Target Industry M&A Activity Last Year:</u>				Target Fin. Advisors' Experience in Target Sector		Acq. Fin. Advisors' Experience in Target Sector		Prior Alliance btw Target and
	SIC 4	SIC 4	SIC 3	SIC 3	SIC 4	SIC 3	SIC 4	SIC 3	
CDE M&A Experience	0.0107 (0.046)	0.0107 (0.046)	0.0105 (0.051)	0.0106 (0.048)	0.0107 (0.047)	0.0105 (0.050)	0.0107 (0.049)	0.0098 (0.066)	0.0105 (0.049)
CDE M&A Experience Squared	-0.0047 (0.022)	-0.0047 (0.022)	-0.0046 (0.026)	-0.0046 (0.023)	-0.0047 (0.022)	-0.0046 (0.023)	-0.0047 (0.024)	-0.0041 (0.045)	-0.0046 (0.024)
Indicator =1 if CEO Has More M&A Experience Than CDE	0.0022 (0.446)	0.0023 (0.439)	0.0022 (0.450)	0.0023 (0.433)	0.0023 (0.431)	0.0024 (0.408)	0.0023 (0.439)	0.0021 (0.464)	0.0023 (0.438)
CEO Has More M&A Experience * CDE Experience	-0.1054 (0.058)	-0.1046 (0.064)	-0.1038 (0.059)	-0.1034 (0.059)	-0.1044 (0.062)	-0.1006 (0.064)	-0.1055 (0.062)	-0.1059 (0.057)	-0.1009 (0.062)
CEO Has More M&A Experience * CDE Experience Squared	0.2081 (0.039)	0.2068 (0.044)	0.2054 (0.040)	0.2044 (0.041)	0.2068 (0.042)	0.1985 (0.045)	0.2084 (0.042)	0.2072 (0.038)	0.1995 (0.041)
Firm M&A Experience	-0.0015 (0.193)	-0.0015 (0.184)	-0.0014 (0.219)	-0.0015 (0.203)	-0.0016 (0.171)	-0.0014 (0.214)	-0.0016 (0.176)	-0.0014 (0.236)	-0.0016 (0.172)
Target Sector (SIC 4) Deal Activity (# Deals)	-0.0000 (0.348)								
Target Sector (SIC 4) Deal Activity (\$MM)		-0.0000 (0.419)							
Target Sector (SIC 3) Deal Activity (# Deals)			-0.0000 (0.232)						
Target Sector (SIC 3) Deal Activity (\$MM)				-0.0000 (0.165)					
Target's FA Prior Exp in Target Sector (SIC 4)					-0.0001 (0.621)				
Target's FA Prior Exp in Target Sector (SIC 3)						-0.0003 (0.068)			
Acquirer's FA Prior Exp in Target Sector (SIC 4)							-0.0003 (0.562)		
Acquirer's FA Prior Exp in Target Sector (SIC 3)								-0.0006 (0.088)	
Prior Alliances/Partnerships Between Target & Acquirer									0.0067 (0.403)
Constant	0.0232 (0.079)	0.0237 (0.069)	0.0220 (0.099)	0.0224 (0.087)	0.0237 (0.072)	0.0218 (0.094)	0.0240 (0.067)	0.0238 (0.068)	0.0238 (0.070)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0312	0.0311	0.0317	0.0318	0.0310	0.0337	0.0311	0.0350	0.0313
N	3607	3607	3607	3607	3607	3607	3607	3607	3607

p-values in parentheses; robust standard errors clustered by acquirer

TABLE C24. Robustness Check Testing Omitted Variable Bias Arising from Target-Related Factors - H2

DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	<u>Target Industry M&A Activity Last Year:</u>				Target Fin. Advisors' Experience in Target Sector		Acq. Fin. Advisors' Experience in Target Sector		Prior Alliance btw Target and
	SIC 4	SIC 4	SIC 3	SIC 3	SIC 4	SIC 3	SIC 4	SIC 3	
CDE M&A Experience	0.0096 (0.010)	0.0096 (0.010)	0.0093 (0.012)	0.0094 (0.011)	0.0095 (0.011)	0.0089 (0.018)	0.0095 (0.011)	0.0088 (0.019)	0.0094 (0.010)
CDE M&A Experience Squared	-0.0042 (0.006)	-0.0042 (0.006)	-0.0041 (0.008)	-0.0041 (0.007)	-0.0042 (0.006)	-0.0040 (0.010)	-0.0042 (0.007)	-0.0037 (0.020)	-0.0042 (0.007)
M&A Experience Gap (# Deals) When CEO Has More Experience	0.0000 (0.248)	0.0000 (0.231)	0.0000 (0.257)	0.0000 (0.225)	0.0000 (0.248)	0.0000 (0.300)	0.0000 (0.236)	0.0000 (0.265)	0.0000 (0.225)
M&A Experience Gap * CDE Experience	-0.0006 (0.178)	-0.0006 (0.192)	-0.0006 (0.177)	-0.0006 (0.169)	-0.0006 (0.206)	-0.0005 (0.332)	-0.0006 (0.182)	-0.0007 (0.151)	-0.0006 (0.196)
M&A Experience Gap * CDE Experience Squared	0.0025 (0.000)	0.0024 (0.000)	0.0025 (0.000)	0.0024 (0.000)	0.0024 (0.000)	0.0022 (0.000)	0.0025 (0.000)	0.0025 (0.000)	0.0023 (0.000)
Firm M&A Experience	-0.0016 (0.168)	-0.0016 (0.158)	-0.0015 (0.193)	-0.0016 (0.176)	-0.0017 (0.149)	-0.0015 (0.194)	-0.0017 (0.152)	-0.0015 (0.209)	-0.0017 (0.148)
Target Sector (SIC 4) Deal Activity (# Deals)	-0.0000 (0.353)								
Target Sector (SIC 4) Deal Activity (\$MM)		-0.0000 (0.409)							
Target Sector (SIC 3) Deal Activity (# Deals)			-0.0000 (0.237)						
Target Sector (SIC 3) Deal Activity (\$MM)				-0.0000 (0.166)					
Target's FA Prior Exp in Target Sector (SIC 4)					-0.0001 (0.634)				
Target's FA Prior Exp in Target Sector (SIC 3)						-0.0003 (0.072)			
Acquirer's FA Prior Exp in Target Sector (SIC 4)							-0.0003 (0.584)		
Acquirer's FA Prior Exp in Target Sector (SIC 3)								-0.0006 (0.094)	
Prior Alliances/Partnerships Between Target & Acquirer									0.0064 (0.434)
Constant	0.0238 (0.072)	0.0243 (0.062)	0.0226 (0.091)	0.0230 (0.079)	0.0243 (0.065)	0.0221 (0.090)	0.0246 (0.060)	0.0244 (0.061)	0.0244 (0.062)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0315	0.0314	0.0319	0.0320	0.0312	0.0339	0.0313	0.0351	0.0315
N	3607	3607	3607	3607	3607	3607	3607	3607	3607

p-values in parentheses; robust standard errors clustered by acquirer

TABLE C25. Robustness Check Testing Omitted Variable Bias Arising from Target-Related Factors - H3

DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	<u>Target Industry M&A Activity Last Year:</u>				Target Fin. Advisors' Experience in Target Sector		Acq. Fin. Advisors' Experience in Target Sector		Prior Alliance btw Target and
	SIC 4	SIC 4	SIC 3	SIC 3	SIC 4	SIC 3	SIC 4	SIC 3	
CDE M&A Experience	0.0084 (0.019)	0.0083 (0.020)	0.0082 (0.021)	0.0081 (0.021)	0.0082 (0.021)	0.0078 (0.026)	0.0082 (0.022)	0.0077 (0.030)	0.0080 (0.024)
CDE M&A Experience Squared	-0.0039 (0.006)	-0.0039 (0.006)	-0.0038 (0.008)	-0.0038 (0.007)	-0.0039 (0.006)	-0.0038 (0.008)	-0.0039 (0.007)	-0.0034 (0.018)	-0.0038 (0.008)
Indicator =1 if Firm Has Limited Experience (< 18 Deals or 40th Percentile)	0.0014 (0.627)	0.0015 (0.604)	0.0013 (0.664)	0.0015 (0.614)	0.0016 (0.597)	0.0014 (0.636)	0.0015 (0.611)	0.0011 (0.701)	0.0016 (0.597)
Limited Firm M&A Experience * CDE Experience	-0.0446 (0.016)	-0.0456 (0.015)	-0.0443 (0.017)	-0.0457 (0.014)	-0.0454 (0.014)	-0.0458 (0.013)	-0.0452 (0.014)	-0.0457 (0.013)	-0.0448 (0.015)
Limited Firm M&A Experience * CDE Experience Squared	0.0413 (0.011)	0.0421 (0.010)	0.0413 (0.011)	0.0425 (0.009)	0.0420 (0.010)	0.0429 (0.008)	0.0418 (0.010)	0.0424 (0.009)	0.0417 (0.010)
CEO M&A Experience	0.0026 (0.378)	0.0027 (0.355)	0.0024 (0.409)	0.0026 (0.363)	0.0026 (0.377)	0.0024 (0.399)	0.0026 (0.374)	0.0023 (0.426)	0.0027 (0.346)
Target Sector (SIC 4) Deal Activity (# Deals)	-0.0000 (0.315)								
Target Sector (SIC 4) Deal Activity (\$MM)		-0.0000 (0.345)							
Target Sector (SIC 3) Deal Activity (# Deals)			-0.0000 (0.205)						
Target Sector (SIC 3) Deal Activity (\$MM)				-0.0000 (0.131)					
Target's FA Prior Exp in Target Sector (SIC 4)					-0.0001 (0.558)				
Target's FA Prior Exp in Target Sector (SIC 3)						-0.0003 (0.059)			
Acquirer's FA Prior Exp in Target Sector (SIC 4)							-0.0003 (0.553)		
Acquirer's FA Prior Exp in Target Sector (SIC 3)								-0.0006 (0.084)	
Prior Alliances/Partnerships Between Target & Acquirer									0.0077 (0.349)
Constant	0.0299 (0.045)	0.0304 (0.039)	0.0288 (0.055)	0.0290 (0.051)	0.0304 (0.041)	0.0285 (0.051)	0.0308 (0.037)	0.0312 (0.034)	0.0304 (0.040)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0303	0.0302	0.0308	0.0310	0.0300	0.0329	0.0301	0.0342	0.0305
N	3607	3607	3607	3607	3607	3607	3607	3607	3607

p-values in parentheses; robust standard errors clustered by acquirer

CDEs' Other Characteristics

While this paper focuses on prior M&A experience of CDEs, it is possible that CDEs' prior functional backgrounds and education also play a role in shaping different M&A outcomes. In Tables C26 through C29 below, I test whether M&A experience may vary depending on CDEs' functional backgrounds (investment banking, law, consulting, investing), familiarity with technology, prior education in the sciences, MBA education, foreign origin and whether they have attended a high-status school. Interestingly, I find that CDEs with prior investment banking experience tend to be associated with lower M&A performance, while those with elite educational backgrounds are generally associated with higher M&A performance. However, the core findings for H1, H2, and H3

remain consistent across all models, indicating that the observed relationships are not solely driven by CDEs' functional or educational backgrounds. These results also highlight opportunities for future research to examine how demographic, educational, and functional characteristics of CDEs may shape M&A decisions and outcomes more broadly.

Online Appendix C - Omitted Variable Bias

TABLE C26. Robustness Check Testing Omitted Variable Bias Arising from CDE Demographics and Functional Backgrounds - H1

DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
CDE M&A Experience	0.0090 (0.007)	0.0085 (0.012)	0.0084 (0.012)	0.0090 (0.007)	0.0098 (0.010)	0.0084 (0.010)	0.0087 (0.012)	0.0094 (0.002)
CDE M&A Experience Squared	-0.0044 (0.003)	-0.0039 (0.008)	-0.0039 (0.007)	-0.0041 (0.005)	-0.0044 (0.006)	-0.0039 (0.006)	-0.0039 (0.007)	-0.0041 (0.003)
Firm M&A Experience	-0.0016 (0.158)	-0.0017 (0.167)	-0.0017 (0.151)	-0.0016 (0.162)	-0.0019 (0.117)	-0.0016 (0.165)	-0.0016 (0.171)	-0.0019 (0.110)
CEO M&A Experience	0.0027 (0.368)	0.0030 (0.333)	0.0033 (0.283)	0.0031 (0.295)	0.0034 (0.267)	0.0033 (0.281)	0.0028 (0.368)	0.0035 (0.218)
CDE Had Investment Banking Experience	-0.0035 (0.091)							
CDE Had Legal Experience		0.0002 (0.923)						
CDE Had Consulting Experience			-0.0009 (0.708)					
CDE Had Investing / PE Experience				0.0021 (0.547)				
CDE Had Engineering Tech Experience					0.0027 (0.402)			
CDE is from Abroad						0.0007 (0.702)		
CDE Had MBA							0.0025 (0.370)	
CDE Had Elite Education (Top 25 US Schools)								0.0034 (0.074)
Constant	0.0240 (0.062)	0.0245 (0.065)	0.0243 (0.063)	0.0248 (0.056)	0.0237 (0.064)	0.0253 (0.051)	0.0257 (0.053)	0.0217 (0.093)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0304	0.0295	0.0295	0.0297	0.0299	0.0295	0.0298	0.0306
N	3607	3607	3607	3607	3607	3607	3607	3607

p-values in parentheses; robust standard errors clustered by acquirer

Online Appendix C - Omitted Variable Bias

TABLE C27. Robustness Check Testing Omitted Variable Bias Arising from CDE Demographics and Functional Backgrounds - H2

DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
CDE M&A Experience	0.0113 (0.036)	0.0107 (0.047)	0.0107 (0.046)	0.0110 (0.039)	0.0128 (0.029)	0.0105 (0.057)	0.0109 (0.043)	0.0117 (0.024)
CDE M&A Experience Squared	-0.0052 (0.013)	-0.0047 (0.023)	-0.0047 (0.022)	-0.0048 (0.020)	-0.0054 (0.015)	-0.0047 (0.026)	-0.0047 (0.021)	-0.0049 (0.015)
Indicator =1 if CEO Has More M&A Experience Than CDE	0.0023 (0.428)	0.0023 (0.431)	0.0023 (0.432)	0.0022 (0.458)	0.0029 (0.338)	0.0022 (0.451)	0.0023 (0.437)	0.0024 (0.417)
CEO Has More M&A Experience * CDE Experience	-0.1110 (0.046)	-0.1047 (0.066)	-0.1044 (0.081)	-0.1015 (0.083)	-0.0996 (0.076)	-0.1056 (0.058)	-0.1019 (0.092)	-0.1031 (0.056)
CEO Has More M&A Experience * CDE Experience Squared	0.2135 (0.032)	0.2077 (0.045)	0.2071 (0.053)	0.2025 (0.055)	0.1980 (0.053)	0.2103 (0.037)	0.1987 (0.076)	0.2080 (0.033)
Firm M&A Experience	-0.0016 (0.168)	-0.0016 (0.184)	-0.0016 (0.178)	-0.0016 (0.176)	-0.0019 (0.128)	-0.0015 (0.186)	-0.0015 (0.180)	-0.0019 (0.123)
CDE Had Investment Banking Experience	-0.0036 (0.069)							
CDE Had Legal Experience		0.0002 (0.920)						
CDE Had Consulting Experience			-0.0001 (0.958)					
CDE Had Investing / PE Experience				0.0015 (0.672)				
CDE Had Engineering Tech Experience					0.0027 (0.406)			
CDE Had MBA						0.0006 (0.731)		
CDE is from Abroad							0.0020 (0.496)	
CDE Had Elite Education (Top 25 US Schools)								0.0034 (0.075)
Constant	0.0236 (0.068)	0.0240 (0.071)	0.0241 (0.068)	0.0243 (0.063)	0.0234 (0.070)	0.0247 (0.059)	0.0251 (0.062)	0.0212 (0.105)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0318	0.0309	0.0309	0.0310	0.0313	0.0309	0.0311	0.0320
N	3607	3607	3607	3607	3607	3607	3607	3607

p-values in parentheses; robust standard errors clustered by acquirer

Online Appendix C - Omitted Variable Bias

TABLE C28. Robustness Check Testing Omitted Variable Bias Arising from CDE Demographics and Functional Backgrounds - H2

DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
CDE M&A Experience	0.0100 (0.006)	0.0094 (0.012)	0.0095 (0.011)	0.0099 (0.010)	0.0108 (0.008)	0.0095 (0.010)	0.0098 (0.012)	0.0104 (0.003)
CDE M&A Experience Squared	-0.0046 (0.003)	-0.0042 (0.008)	-0.0042 (0.006)	-0.0043 (0.006)	-0.0046 (0.005)	-0.0042 (0.006)	-0.0042 (0.007)	-0.0044 (0.003)
M&A Experience Gap (# Deals) When CEO Has More Experience	0.0000 (0.250)	0.0000 (0.253)	0.0000 (0.199)	0.0000 (0.243)	0.0000 (0.235)	0.0000 (0.232)	0.0000 (0.220)	0.0000 (0.209)
M&A Experience Gap * CDE Experience	-0.0007 (0.145)	-0.0006 (0.219)	-0.0006 (0.279)	-0.0005 (0.319)	-0.0005 (0.301)	-0.0006 (0.173)	-0.0005 (0.353)	-0.0005 (0.247)
M&A Experience Gap * CDE Experience Squared	0.0025 (0.000)	0.0024 (0.000)	0.0024 (0.000)	0.0023 (0.001)	0.0023 (0.000)	0.0025 (0.000)	0.0023 (0.001)	0.0023 (0.000)
Firm M&A Experience	-0.0017 (0.147)	-0.0017 (0.157)	-0.0017 (0.141)	-0.0017 (0.153)	-0.0019 (0.115)	-0.0016 (0.155)	-0.0016 (0.155)	-0.0019 (0.107)
CDE Had Investment Banking Experience	-0.0034 (0.095)							
CDE Had Legal Experience		0.0004 (0.864)						
CDE Had Consulting Experience			-0.0009 (0.689)					
CDE Had Investing / PE Experience				0.0017 (0.623)				
CDE Had Engineering Tech Experience					0.0024 (0.458)			
CDE Had MBA						0.0006 (0.751)		
CDE is from Abroad							0.0025 (0.376)	
CDE Had Elite Education (Top 25 US Schools)								0.0033 (0.084)
Constant	0.0242 (0.062)	0.0245 (0.066)	0.0244 (0.064)	0.0248 (0.057)	0.0239 (0.064)	0.0253 (0.053)	0.0258 (0.054)	0.0218 (0.093)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0320	0.0312	0.0312	0.0313	0.0315	0.0312	0.0315	0.0322
N	3607	3607	3607	3607	3607	3607	3607	3607

p-values in parentheses; robust standard errors clustered by acquirer

Online Appendix C - Omitted Variable Bias

TABLE C29. Robustness Check Testing Omitted Variable Bias Arising from CDE Demographics and Functional Backgrounds - H3

DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
CDE M&A Experience	0.0087 (0.015)	0.0083 (0.021)	0.0081 (0.024)	0.0087 (0.010)	0.0092 (0.020)	0.0079 (0.024)	0.0084 (0.020)	0.0090 (0.006)
CDE M&A Experience Squared	-0.0043 (0.004)	-0.0039 (0.008)	-0.0039 (0.008)	-0.0040 (0.004)	-0.0042 (0.007)	-0.0039 (0.007)	-0.0039 (0.007)	-0.0040 (0.003)
Indicator =1 if Firm Has Limited Experience (< 18 Deals or 40th Percentile)	0.0015 (0.618)	0.0015 (0.604)	0.0015 (0.600)	0.0016 (0.578)	0.0017 (0.578)	0.0016 (0.594)	0.0014 (0.634)	0.0020 (0.493)
Limited Firm M&A Experience * CDE Experience	-0.0436 (0.018)	-0.0453 (0.015)	-0.0450 (0.014)	-0.0460 (0.014)	-0.0458 (0.013)	-0.0459 (0.013)	-0.0434 (0.017)	-0.0472 (0.012)
Limited Firm M&A Experience * CDE Experience Squared	0.0402 (0.013)	0.0420 (0.011)	0.0420 (0.010)	0.0430 (0.011)	0.0419 (0.009)	0.0435 (0.010)	0.0398 (0.012)	0.0428 (0.009)
CEO M&A Experience	0.0022 (0.448)	0.0028 (0.388)	0.0028 (0.353)	0.0027 (0.348)	0.0028 (0.363)	0.0031 (0.306)	0.0024 (0.436)	0.0029 (0.316)
CDE Had Investment Banking Experience	-0.0034 (0.104)							
CDE Had Legal Experience		-0.0003 (0.898)						
CDE Had Consulting Experience			-0.0004 (0.838)					
CDE Had Investing / PE Experience				0.0024 (0.499)				
CDE Had Engineering Tech Experience					0.0021 (0.496)			
CDE is from Abroad						0.0012 (0.536)		
CDE Had MBA							0.0024 (0.392)	
CDE Had Elite Education (Top 25 US Schools)								0.0032 (0.104)
Constant	0.0302 (0.039)	0.0310 (0.040)	0.0308 (0.037)	0.0311 (0.034)	0.0302 (0.040)	0.0322 (0.029)	0.0319 (0.034)	0.0276 (0.061)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0307	0.0299	0.0299	0.0302	0.0302	0.0300	0.0302	0.0309
N	3607	3607	3607	3607	3607	3607	3607	3607

p-values in parentheses; robust standard errors clustered by acquirer

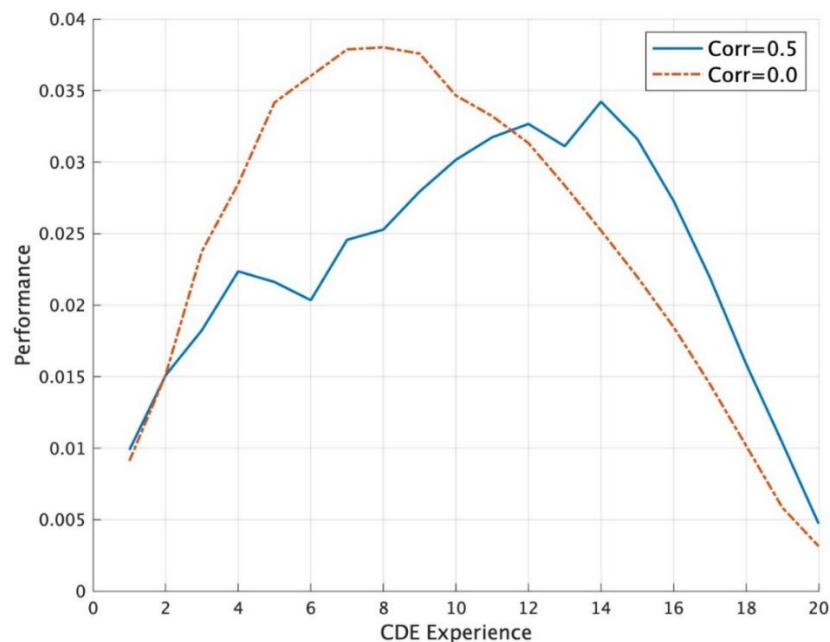
ONLINE APPENDIX D.

Simulation of unobserved selection bias in the CDE-firm pair

Model Assumptions:

- 1) CDEs are randomly assigned a quality type (good or bad).
- 2) There is an inverted-U relationship between CDE Experience and Performance, where greater experience corresponds to a higher mean and lower variance in performance.
- 3) Firms conduct a certain number of deals during each CDE's tenure.
- 4) Correlation parameter: positive correlation between CDE's quality and the number of deals firms will do (where the good types are preferred when firms are planning to do more M&A)

Model Results:



The results from the simulation model suggest that the inverted-U relationship between CDE experience and M&A performance persists even in the presence of unobserved selection bias in firms' hiring of CDEs. Specifically, the curve shifts to the right—indicating that it may take longer for high-quality CDEs to reach peak effectiveness, as they climb the learning curve more gradually.

ONLINE APPENDIX E.

I conduct several exploratory analyses to further examine how the interactions among CDE, CEO, and the firm may vary across different types of deals and different stages of the M&A process.

First, I further unpack the results for Hypothesis 2 and explore how the identified interactions between CEOs and CDEs may vary depending on the type of deals undertaken, addressing the question: when does the more experienced CEO matter more for M&A performance? In Table E1, I divide the sample into different subsamples based on deal size (small vs. large deals) and target public status (public vs. private) for when the CEO has more or less M&A experience than the CDE. The results across subsamples and full sample analyses suggest that the positive interactive effects between CDEs and more experienced CEOs found in Table 6 are mostly driven by their interactions during large deals and deals involving publicly listed target firms.

Second, I conduct additional analyses for the results of Hypothesis 3 and explore when limited firm M&A experience is particularly challenging for CDEs' ability to manage the M&A process. I divide the sample into different subsamples based on deal size (small vs. large deals) and target public status (public vs. private) for when firm has limited M&A experience. Both subsample and full sample analyses suggest that the observed CDE effects are stronger when firms pursue small or private deals, which comprise most of the sample. These are also more likely to be the cases where the CDE holds greater decision rights and possesses more relevant knowhow to compensate for the lack of organizational experience.

These results are consistent with the main findings in Tables 6 and 7, and together highlight the contingent nature of M&A experiences. However, given the small sample size in some subsamples and the complexity of interpreting three-way interactions with a quadratic term, they should be interpreted as suggestive evidence only. Future work with a larger sample (ideally spanning

multiple industries to increase the number of public and large deals) could further clarify the relative importance of CDE, CEO, and firm experiences across different types of transactions.

Online Appendix E - Exploratory Analyses on H2 by Deal Type
TABLE E1. When Do the More Experienced CEO (H2) Matter More?
DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	<i>Small vs. Large Deals (Subsamples)</i>				<i>Full Sample</i>	<i>Private vs. Public Deals (Subsamples)</i>				<i>Full Sample</i>
	CEO Has More Experience & Deal is Small (<\$100M)	CEO Has Less Experience & Deal is Small (<\$100M)	CEO Has More Experience & Deal is Large (\$100M+)	CEO Has Less Experience & Deal is Large (\$100M+)	CEO Has More Experience & CDE M&A Experience and Exp. Squared	CEO Has More Experience & Private Target	CEO Has Less Experience & Private Target	CEO Has More Experience & Public Target	CEO Has Less Experience & Public Target	CEO Has More Experience & Public Deal x CDE M&A Experience and Exp. Squared
CDE M&A Experience	-0.0521 (0.176)	0.0155 (0.007)	-0.2251 (0.194)	-0.0060 (0.780)	0.0103 (0.065)	0.0058 (0.886)	0.0128 (0.023)	-0.4462 (0.010)	-0.0392 (0.304)	0.0096 (0.068)
CDE M&A Experience Squared	0.0961 (0.188)	-0.0056 (0.012)	0.4465 (0.065)	0.0001 (0.995)	-0.0044 (0.037)	-0.0135 (0.863)	-0.0049 (0.028)	0.7708 (0.002)	0.0102 (0.458)	-0.0040 (0.048)
Indicator =1 if CEO Has More M&A Experience Than CDE					0.0015 (0.579)					0.0026 (0.389)
CEO Has More M&A Experience * CDE Experience					-0.0199 (0.660)					-0.0347 (0.323)
CEO Has More M&A Experience * CDE Experience Squared					0.0218 (0.796)					0.0500 (0.435)
Indicator =1 if Deal is Large (\$100M+)					-0.0003 (0.940)					
Large Deal * CDE Experience					-0.0009 (0.932)					
Large Deal * CDE Experience Squared					-0.0010 (0.768)					
CEO Has More M&A Experience * Large Deal					0.0017 (0.787)					
CEO Has More M&A Experience * Large Deal * CDE Experience					-0.2564 (0.074)					
CEO Has More M&A Experience * Large Deal * CDE Experience Squared					0.4567 (0.025)					
Indicator =1 if Target is Public										-0.0034 (0.667)
Public Target * CDE Experience										0.0137 (0.376)
Public Target * CDE Experience Squared										-0.0076 (0.156)
CEO Has More M&A Experience * Public Target										-0.0048 (0.562)
CEO Has More M&A Experience * Public Target * CDE Experience										-0.2239 (0.032)
CEO Has More M&A Experience * Public Target * CDE Experience Squared										0.4004 (0.003)
CEO M&A Experience	0.0033 (0.485)	-0.0029 (0.599)	0.0022 (0.859)	-0.0031 (0.833)	0.0018 (0.491)	0.0015 (0.752)	-0.0021 (0.670)	0.0009 (0.953)	0.0224 (0.679)	0.0018 (0.511)
Firm M&A Experience	-0.0009 (0.629)	-0.0008 (0.533)	-0.0019 (0.744)	0.0040 (0.475)	-0.0017 (0.153)	-0.0013 (0.488)	-0.0012 (0.309)	-0.0118 (0.236)	0.0008 (0.894)	-0.0017 (0.147)
Constant	0.0138 (0.403)	0.0204 (0.250)	-0.2290 (0.000)	0.0675 (0.211)	0.0249 (0.060)	-0.0194 (0.252)	0.0343 (0.039)	-0.2019 (0.037)	0.1360 (0.146)	0.0250 (0.053)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0605	0.0523	0.1560	0.1478	0.0321	0.0637	0.0505	0.3361	0.3341	0.0332
N	1189	1640	335	443	3607	1305	1864	219	219	3607

p-values in parentheses; robust standard errors clustered by acquirer

Online Appendix E - Exploratory Analyses on H3 by Deal Type
TABLE E2. When Do Limited Firm M&A Experience (H3) Matter More?
DV = CAR [-1, +1]

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	<i>Small vs. Large Deals (Subsamples)</i>				<i>Full Sample:</i>	<i>Private vs. Public Deals (Subsamples)</i>				<i>Full Sample:</i>
	Limited Firm Experience & Deal is Small (<\$100M)	Some Firm Experience & Deal is Small (<\$100M)	Limited Firm Experience & Deal is Large (\$100M+)	Some Firm Experience & Deal is Large (\$100M+)	Limited Firm Exp. x Large Deal x CDE M&A Experience and Exp. Squared	Limited Firm Experience & Private Target	Some Firm Experience & Private Target	Limited Firm Experience & Public Target	Some Firm Experience & Public Target	Limited Firm Exp. x Public Deal x CDE M&A Experience and Exp. Squared
CDE M&A Experience	-0.0174 (0.261)	0.0094 (0.005)	-0.1538 (0.116)	0.0066 (0.545)	0.0085 (0.039)	-0.0205 (0.355)	0.0070 (0.025)	-0.3659 (0.057)	0.0212 (0.233)	0.0058 (0.108)
CDE M&A Experience Squared	0.0282 (0.050)	-0.0037 (0.005)	0.1379 (0.100)	-0.0042 (0.354)	-0.0037 (0.019)	0.0355 (0.116)	-0.0028 (0.044)	0.3704 (0.317)	-0.0109 (0.118)	
CEO M&A Experience	-0.0112 (0.197)	0.0038 (0.177)	-0.0023 (0.920)	0.0085 (0.565)	0.0027 (0.362)	-0.0024 (0.782)	0.0046 (0.018)	-0.0609 (0.306)	0.0163 (0.377)	0.0028 (0.330)
Firm Has Limited M&A Experience (<40th Perc.)					0.0022 (0.437)					0.0017 (0.597)
Limited Firm M&A Experience * CDE Experience					-0.0443 (0.017)					-0.0304 (0.122)
Limited Firm M&A Experience * CDE Experience Squared					0.0400 (0.015)					0.0302 (0.075)
Indicator =1 if Deal is Large (\$100M+)					0.0015 (0.635)					
Large Deal * CDE Experience					-0.0020 (0.801)					
Large Deal * CDE Experience Squared					-0.0007 (0.776)					
Limited Firm Experience * Large Deal					-0.0027 (0.651)					
Limited Firm Experience * Large Deal * CDE Experience					-0.0019 (0.973)					
Limited Firm Experience * Large Deal * CDE Experience Squared					0.0077 (0.860)					
Indicator =1 if Target is Public										-0.0065 (0.165)
Public Target * CDE Experience										0.0295 (0.006)
Public Target * CDE Experience Squared										-0.0133 (0.001)
Limited Firm Experience * Public Target										0.0008 (0.917)
Limited Firm Experience * Public Target * CDE Experience										-0.1273 (0.063)
Limited Firm Experience * Public Target * CDE Experience Squared										0.0723 (0.135)
Constant	0.0358 (0.214)	-0.0007 (0.945)	0.0068 (0.944)	-0.0760 (0.002)	0.0305 (0.039)	0.0324 (0.342)	0.0040 (0.678)	0.1189 (0.297)	-0.0692 (0.189)	0.0314 (0.035)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.0734	0.0474	0.1429	0.1621	0.0302	0.0556	0.0475	0.3214	0.2244	0.0328
N	1069	1760	381	397	3607	1255	1914	195	243	3607

p-values in parentheses; robust standard errors clustered by acquirer

Next, although my main analyses have focused on the performance effects of CDEs' M&A experience, my theory argues that CDEs play an important role throughout the M&A process. In addition to providing some qualitative evidence of their roles and responsibilities from public sources (as summarized in Online Appendix A), I also conduct exploratory analyses to examine how CDE, CEO, and firm M&A experiences may influence different observable outcomes across the various stages of the M&A process, from target selection to deal execution (Table E3), and from deal completion to post-acquisition integration (Table E4).

While I lack the necessary data to separately identify the causal effects of CDE, CEO, and firm M&A experiences on each decision in the M&A process, I find suggestive evidence that the M&A experiences of CDEs, CEOs, and the organization are each relevant for different types of deal decisions during the target screening and selection stage — including choices related to target industry (correlated with firm experience), deal size and structure (correlated with CDE experience), and deal location (correlated with CEO experience). During the deal execution stage, CDEs' prior experience working with financial advisors (FAs) is positively associated with the likelihood of hiring FAs for the current deal. Their prior M&A experience is also negatively associated with the likelihood of goodwill impairments two years after a focal deal — consistent with the idea that CDEs become more skilled in deal valuation as they gain experience.

At the deal completion stage, I also find evidence that CDEs are heavily involved in securing shareholder and regulatory approvals — two key conditions for closing. From a firm's perspective, a shorter deal completion period is generally preferred, as it reduces uncertainty and enables faster implementation of integration and value creation strategies (Haspeslagh & Jemison, 1991). In Table E4, I find that CDEs' prior experience is negatively associated with the number of days to deal completion. On average, a 10-deal increase in CDE M&A experience is associated with one fewer day to closing, and six fewer days for large deals. Interestingly, CDEs with prior government-related

experience also tend to complete deals more quickly. CEOs' prior M&A experience does not have an impact on days to closing, except in public target acquisitions, where a 10-deal increase in CEO experience with public targets is associated with 25 fewer days to closing, a meaningful reduction.

While these findings are correlational, they underscore the importance of expanding our theories of M&A to account for the distinct roles played by the CDE, CEO, and other organizational actors. Future work can build on these insights with alternative research designs, further unpacking how different types of experience influence specific M&A tasks across varied deal contexts as actors work together to pursue long-term competitive advantage.

Online Appendix E - Exploratory Analyses of CDEs' Impact on Different Tasks in the M&A Process

TABLE E.3. Testing Relationship Between Different Types of CDE, Firm, and CEO M&A Experiences on Decisions Made During the Target Selection and Deal Execution Stages

	DV = Likelihood of:													
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Deal Size is Small (<\$100M) OLS	Deal Size is Small Logit	Deal Size is Large (\$100M+) OLS	Deal Size is Large Logit	Target in the Same Industry (SIC 3) OLS	Target in the Same Logit	Target is Public OLS	Target is Public Logit	Target in a Different Country OLS	Target in a Logit	Acq. Hires Financial Advisor OLS	Acq. Hires Logit	Acq. Has Goodwill Impairment (+2) OLS	Acq. Has Goodwill Logit
CDE Similar M&A Experience (as Focal Deal)	0.0679 (0.014)	0.7611 (0.001)	-0.2154 (0.039)	-2.0906 (0.042)	-0.0842 (0.344)	-0.3910 (0.426)	-0.1672 (0.010)	-2.4789 (0.046)	-0.0192 (0.626)	-0.2630 (0.299)	0.3634 (0.000)	4.4463 (0.000)		
CEO Similar M&A Experience (as Focal Deal)	0.0247 (0.633)	0.1580 (0.783)	-0.1001 (0.590)	-0.5485 (0.774)	0.0608 (0.820)	0.2852 (0.802)	0.0078 (0.954)	0.8066 (0.703)	-0.2766 (0.003)	-1.5329 (0.006)	-0.1335 (0.492)	-1.3708 (0.572)		
Firm Similar M&A Experience (as Focal Deal)	0.0001 (0.989)	-0.0003 (0.997)	0.0291 (0.404)	0.3166 (0.013)	0.1457 (0.000)	1.1258 (0.000)	0.0052 (0.512)	0.0899 (0.578)	0.0336 (0.103)	0.1818 (0.095)	-0.0084 (0.504)	-0.1180 (0.403)		
CDE is From Abroad									-0.0367 (0.251)	-0.1948 (0.222)				
CDE Had Worked Abroad									-0.0277 (0.596)	-0.1451 (0.599)				
CEO is From Abroad									-0.0446 (0.315)	-0.2305 (0.321)				
CEO Had Worked Abroad									0.2033 (0.006)	1.1700 (0.032)				
CDE Had Investment Banking Experience											-0.0034 (0.837)	-0.0289 (0.901)		-0.0397 (0.242)
CDE Had Investment Banking Experience x CDE Prior M&A Experience Working with FA											-0.0137 (0.972)	-0.0442 (0.993)		-0.7192 (0.084)
CEO Had Investment Banking Experience											0.2862 (0.002)	2.1878 (0.000)		-0.0813 (0.246)
CEO Had Investment Banking Experience x CDE Prior M&A Experience Working with FA											-4.6622 (0.011)	-34.9900 (0.005)		-0.8965 (0.161)
CDE M&A Experience														0.0078 (0.786)
CEO M&A Experience														0.0055 (0.722)
Firm M&A Experience														0.0510 (0.445)
Acquirer M&A Activity in Year (Total # Ann. Deals in Focal Year)														0.227 (0.000)
Constant	1.1763 (0.000)	5.9018 (0.000)	-0.0628 (0.649)	-4.6396 (0.009)	1.2518 (0.000)	7.8535 (0.000)	0.1816 (0.078)	-4.2860 (0.004)	0.7390 (0.000)	0.9560 (0.243)	0.0226 (0.851)	-2.7564 (0.013)	1.2994 (0.000)	8.1402 (0.001)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
R2	0.4414		0.4414		0.4261		0.4625		0.1282		0.3702		0.1618	
N	3607	3606	3607	3606	3607	3606	3607	3606	3607	3598	3607	3606	3489	3393

P-values in parentheses; robust standard errors clustered by acquirer, CDE, and CEO experience variables are added by 1/100 in all models for ease of display; firm experience variables are log transformed (as per the convention in prior works and convention in this manuscript); "Similar M&A Experience" is measured as a count of prior announced deals based on target-to-target similarity.

Online Appendix E - Exploratory Analyses of CDEs' Impact on Different Tasks in the M&A Process
TABLE E4. Testing Relationship Between Different Types of CDE, Firm, and CEO M&A Experiences with Days to Deal Completion
DV = Days to Deal Completion

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	Full Sample			Subsample Analyses by Deal Type:								
	CDE Exp. as Linear Only	CDE Exp. as Linear + Firm FE	CDE Exp. as Quadratic	Small Deals (<\$100M)	Large Deals (\$100M+)	Related Deals (Same SIC3)	Unrelated Deals (Diff. SIC3)	Majority Control Deals	Target is Public	Target is Private	Cross- border Deals	Domestic Deals
CDE M&A Experience	-9.9359 (0.000)	-7.1028 (0.016)	-15.0985 (0.000)									
CDE M&A Experience Squared			2.7922 (0.160)									
CDE Similar M&A Experience (as Focal Deal)				-8.2386 (0.001)	-64.5816 (0.000)	-15.0334 (0.047)	-15.4849 (0.000)	-12.9945 (0.000)	9.0836 (0.863)	-11.4029 (0.000)	-17.1683 (0.311)	-16.3769 (0.000)
CEO Similar M&A Experience (as Focal Deal)				0.0057 (0.999)	-33.3553 (0.594)	-18.5454 (0.030)	-13.4362 (0.161)	-4.7431 (0.395)	-249.0163 (0.000)	-0.6588 (0.924)	-43.0301 (0.041)	-5.0589 (0.453)
Firm Similar M&A Experience (as Focal Deal)				-3.7841 (0.296)	6.5218 (0.683)	1.9538 (0.823)	-1.8193 (0.543)	-1.2043 (0.801)	2.5258 (0.956)	-2.3158 (0.597)	-3.0942 (0.776)	2.2505 (0.480)
CDE Had Government Jobs Before	-16.7839 (0.006)	-6.4190 (0.311)	-16.8475 (0.005)	-16.9228 (0.002)	-18.5367 (0.024)	-11.2399 (0.017)	-23.3750 (0.000)	-14.9048 (0.028)	-29.2029 (0.069)	-13.8861 (0.026)	-30.1117 (0.000)	-8.2920 (0.107)
CEO M&A Experience	-4.3399 (0.356)	3.3763 (0.654)	-5.2610 (0.254)									
CEO Had Government Jobs Before	4.8737 (0.375)	13.7428 (0.109)	4.4819 (0.407)	6.7103 (0.117)	11.2482 (0.466)	14.2842 (0.228)	-2.1299 (0.663)	5.6653 (0.356)	11.3365 (0.634)	4.2590 (0.482)	14.8304 (0.314)	-5.5968 (0.154)
Firm M&A Experience	-1.9529 (0.494)	-11.7005 (0.160)	-1.4937 (0.600)									
Constant	-40.5181 (0.028)	-352.9456 (0.000)	-40.2930 (0.029)	-42.6529 (0.027)	-60.0476 (0.210)	-83.3021 (0.011)	-34.2929 (0.113)	-31.1150 (0.083)	-120.8200 (0.050)	-34.0025 (0.138)	-51.3578 (0.118)	-8.1116 (0.589)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry (SIC2) Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Firm Fixed Effects	No	Yes	No	No	No	No	No	No	No	No	No	No
R2	0.1606	0.1834	0.1607	0.0718	0.3056	0.2565	0.1163	0.1883	0.2307	0.0814	0.1225	0.2617
N	3604	3604	3604	2827	777	1708	1896	3418	436	3168	1166	2438

p-values in parentheses; robust standard errors clustered by acquirer; CDE, CEO and Firm experience variables are scaled by 1/100 in all models for ease of display; linear form of experience is used in all models except for Model 2 for ease of interpretation; "Similar M&A Experience" is measured as a count of prior announced deals based on target-to-target similarity.

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