**Abstract:**

This paper integrates entrepreneurial reputation into a multi-period model which explores the financing and execution of heterogeneous projects under asymmetric information. We study a model where reputation can be acquired following a history of successful execution but may also be inferred from project selection. We explore the effect of reputational considerations and the distribution of available projects on project selection and welfare. Under certain conditions, talented entrepreneurs may signal their ability by choosing to forgo projects, even when such projects generate positive expected returns. Our results highlight the role of low-NPV projects, which require less financing capital, in generating reputation and facilitating strategic separation. We show that a small change in the availability of such low-NPV projects may generate a significant increase in welfare.