

Project Seminar: The Managerial Job Market and Corporate Governance

Jun. Prof. Stefano Colonnello & Jun. Prof. Qizhou Xiong

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Contact details

First part

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Second part

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Course description

Registration through [E-Learning](#) open until July 8th.

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This project seminar will give a labor economics- and finance-perspective about current research on the managerial labor market and its interaction with the governance mechanisms of firms. The focus will be on the match formation between managers and firms, and on managerial compensation. The seminar will cover the determinants of managerial turnover, search frictions and matching on the managerial labor market, the measurement of managerial incentives, the efficiency of executive compensation practices and regulation, the managerial labor market in the financial industry, corporate governance and financial stability, history of executive compensation, and recent trends around the world.

Prerequisites

Elementary knowledge of statistics and corporate finance

Useful readings

Surveys of the academic literature. For instance:

- Edmans, Alex, and Xavier Gabaix, Forthcoming. Executive Compensation: A Modern Primer, *Journal of Economic Literature* (working paper version available on SSRN)
- Murphy, Kevin J., 2013. Executive Compensation: Where We Are, and How We Got There, *Handbook of the Economics of Finance* 2, 211-356 (working paper version available on SSRN)
- Shleifer, Andrei, and Robert W. Vishny, 1997. A Survey of Corporate Governance, *Journal of Finance* 52, 737-783

Useful to understand the theoretical grounds of the literature:

- Bolton, Patrick, and Mathias Dewatripont, 2005. *Contract Theory*, MIT press
- Laffont, Jean-Jacques, and Martimort, David, 2009. *The Theory of Incentives: The Principal-Agent Model*, Princeton University Press
- Tirole, Jean, 2010. *The Theory of Corporate Finance*, Princeton University Press

Useful to understand the empirical methods used in the literature:

- Angrist Joshua D., and Jörn-Steffen Pischke, 2008. *Mostly Harmless Econometrics: An Empiricists Companion*, Princeton University Press
- Roberts, Michael R., and Toni M. Whited., 2013. Endogeneity in Empirical Corporate Finance, *Handbook of the Economics of Finance* 2, 493-572 (working paper version available on SSRN)

Requirements

Group requirements:

- Seminar paper (survey of academic literature on a specific topic distributed in class)
- Presentation of the seminar paper
- Report on other groups' surveys

Individual requirements:

- Report on an academic paper
- Presentation of the report
- Discussion of another students presentation