RESEARCH STATEMENT
BHARGAV GOPAL
JULY 15, 2025

I am a labor economist with interests in finance and law and economics. My research program spans three thematic areas: (1) gender diversity in corporate leadership, (2) the economics of non-compete agreements, and (3) regulatory institutions and organizational behavior. These projects share a common theme: understanding organizational behavior and how regulation shapes labor markets.

---

(1) GENDER DIVERSITY IN CORPORATE LEADERSHIP

My research on gender diversity explores whether legal mandates can successfully integrate women into corporate leadership without compromising firm performance. My job market paper, *How Do Firms Respond to Gender Quotas? Evidence from California's Senate Bill 826*, studies the effects of California's 2018 board gender quota law, which required all publicly traded firms headquartered in the state to have at least one female director by the end of 2019. Using a difference-in-differences framework, I show that the law increased female board representation by 26 percentage points, with no detectable adverse effects on financial outcomes or governance indicators. I also find that the quota increased the share of first-time female directors and appointees without prior employment connections to corporate leadership. These results suggest that all-male boards were not necessarily optimal and that network frictions limited access to leadership roles for some qualified women.

A second project, *Mandatory Disclosure and Female Representation in Corporate Leadership: Evidence from NASDAQ* (with graduate student coauthors Dhruv Baswal, Tanvir Ahmed Khan, and Bailey Kraus), examines a softer policy instrument—disclosure rather than quotas. We study the effects of NASDAQ's board diversity rule, which requires firms to either appoint a diverse director or publicly explain their non-compliance. We find that many firms opt to "explain," often citing supply-side barriers, and that the regulation produced only modest increases in board diversity. This result suggests reputational pressure alone may be insufficient to increase female representation in corporate leadership. This project is supported by a CPA Ontario Grant, SSHRC Explore Grant, and two Monieson Research Grants.

(2) THE ECONOMICS AND REGULATION OF NON-COMPETE AGREEMENTS

My second line of work focuses on non-compete agreements (NCAs), which constrain job mobility for millions of workers yet remain poorly understood in both theory and policy circles. In *Do Non-Compete Agreements Help or Hurt Workers? Evidence from the NLSY97* (with graduate student co-authors Xiangru Li and Luke Rawling), we build a model of contract choice under asymmetric information and test it using panel data from the NLSY97. We show that NCAs shift the nature of inefficiency—reducing inefficient quits but increasing inefficient retention—while also mitigating the classic hold-up problem. Empirically, we find that signing an NCA leads to longer job tenures and an initial wage premium, consistent with compensating differentials. However, the premium erodes over time, and we find no evidence of increased formal training. Unlike related research, our work does not support a blanket ban on the enforcement of non-compete agreements and instead favors a more targeted approach focusing on lower-skilled workers where NCAs may not incentivize firm investment. This project has been funded by a SSHRC Insight Development Grant. It has also garnered media coverage (Toronto Star, Americans for Tax Reform) and was cited in an *amicus curiae* brief relating to the Federal Trade Commission's proposed ban on non-compete agreements.

In a related project, *The Effects of Non-Compete Regulation*, I evaluate how within-state variation in NCA enforcement affects labor market outcomes. Using 18 state-level policy changes from 1992 to 2014 and a triple-differences design with CPS data, I find that stronger enforcement increases wages by 3–7%, particularly for new job holders. This result contrasts with earlier studies that find negative wage effects. I interpret the positive wage effects through a model of incomplete contracting, where stronger enforcement incentivizes firm-sponsored general training. The fact that wage gains accrue more to new hires than retained workers suggests workers receive up-front compensation for restricted future job mobility. While others have also studied the effects of non-compete regulation, my approach uses different statistical techniques and higher-frequency, larger-scale datasets. I plan to submit this paper to outlets such as the *Journal of Labor Economics* or *Management Science* in 2026.

(3) REGULATORY INSTITUTIONS AND ORGANIZATIONAL BEHAVIOR

In a newer stream of research, I study how internal organizational characteristics shape external behavior, focusing on how regulatory agency structures affect financial misreporting and the incentives that drive firms' Environmental, Social, and Governance (ESG) related disclosure strategies. In an ongoing project with Aida Wahid and Jee-Eun Shin at University of Toronto Rotman, we examine how characteristics of Securities and Exchange Commission (SEC) enforcement teams affect the incidence of financial misreporting. Using novel data from Freedom of Information Act requests, we analyze how factors such as SEC task force size, officer tenure, and organizational structure (e.g., supervisor-to-employee ratio) affect financial misreporting behavior. Preliminary findings suggest that enforcement teams with more mid-level supervisors are associated with lower rates of misreporting. This project contributes to broader conversations around bureaucratic discretion, enforcement capacity, and regulatory design.

In another project with Paul Calluzzo and Artiga Gonzalez, we examine how corporate sentiment around environmental, social, and governance (ESG) topics have evolved over time in firm filings. Using natural language processing on SEC documents, we observe a sharp increase in diversity-related sentiment from 2020 to 2023, followed by a steep decline—while sentiment related to climate issues continues to rise. Our paper will formally document these trends using a large corpus of annual reports from U.S. public companies and analyze how sentiment shifts vary by firm characteristics such as industry, size, institutional ownership, and exposure to activist campaigns. This project contributes to the literature on organizational adaptation, ESG disclosure, and corporate culture.

Together, these projects advance our understanding of how regulation—whether aimed at corporate governance, labor contracts, or disclosure—shapes organizational behavior and economic outcomes. My work reflects an ongoing commitment to generating evidence that can inform both academic debates and economic policy.