

# Ruozhou Yan

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Evanston, IL 60208 Citizenship: Chinese

Fields Research interests: Microeconomic Theory, Organizational Economics, Political Economy

Teaching: Microeconomics, Business Strategy, Competition, Incentives in Organization

**Education** Ph.D., Managerial Economics and Strategy, Kellogg School of Management, 2022 (anticipated)

Dissertation: Essays on Incentives in Organizations

Committee: Daniel Barron (Chair), Niko Matouschek, Michael Powell, Bruno Strulovici

M.A., Economics and Public Policy, Ecole Polytechnique & Sciences Po (joint accreditation), 2014

B.A., Sciences Po, 2011

**Teaching Experience** Teaching Assistant, Kellogg School of Management, 2016-2020

Business Strategy, Executive, Full- and Part-Time MBA

Strategy and Organization, Executive, Full- and Part-Time MBA Competitive Strategy and Industrial Structure, Full-Time MBA

Research Experience Research Assistant, Kellogg School of Management

Nicola Persico, 2018

Mark Satterthwaite, 2016-2017 Research Assistant, ESCP Europe

Vanessa Strauss-Kahn, 2015

Research Assistant, Ecole Polytechnique

Marie-Laure Allain, 2012

**Refereeing** Journal of Economic Theory

Job Market Paper "How to Organize a Coalition"

This paper studies how a coalition coordinates its members when they are free to leave and characterizes the condition under which such coordination prevents the coalition from forming in the first place. More specifically, a coordinator recommends actions to the members after they form a coalition. Members can disobey if they leave the coalition, thereby forgoing some synergies. The paper derives a measure of the coordinator's *power* over the members as a function of these synergies. It shows that the coalition cannot form if the coordinator's power over the members is sufficiently unbalanced. In this case, as the coordinator cannot commit to how she uses her power, she induces actions that make some members worse off than had the coalition not formed at all. Building on this result, the paper studies how the coalition can implement richer decision-making processes—for instance, by delegating decision-making authority or requiring consensus decision-making—to convince members to join.

## Work in progress

### "Set up to Manipulate"

This paper studies how incentive provision is changed by an agent's ability to worsen the performance measure that the principal uses. An agent anticipates future incentives and can set up ways to manipulate performance before incentives are put in place. As the principal designs incentive after the agent's set-up action, deterrence comes from the anticipation of a flattened incentive which lowers the agent's rent extraction. Better aligned performance measure reduces this deterrence effect and results in more manipulation that harms the principal.

## "Delegating Lemons"

This paper studies lemons problem in delegating projects of varying returns on effort. Facing the trade-off between eliciting less-than-optimal effort from an agent and giving up working on another project, a principal optimally only delegates low-return projects. When the project's return is the principal's private information, the act of delegating becomes a negative signal to the agent. The principal thus faces the additional difficulty of eliciting effort and optimally delegates even fewer projects. If the principal can credibly communicate the project's return, she optimally does so; otherwise, if she can commit to a set of projects to delegate, she optimally delegates projects with a medium return.

### **Other Employment**

LSK & Partners, Geneva, Switzerland, 2014

Macroeconomic consulting

Axa (head office), Paris, France, 2013-2014

Sovereign credit research

BASF (head office), Ludwigshafen, Germany, 2013 Portfolio development & Competitor intelligence

#### **Programming**

Python, R, Matlab, Stata, SQL, VBA

### Languages

English (fluent), Mandarin/Chinese (native), French (advanced)

#### References

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