

# Francis Guiton

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**Phone:** +1-437-237-2302**Email:** francis.guiton@mail.utoronto.ca**Website:** <https://www.francisguiton.com>**Citizenship:**

Canadian

**Research Interests:**

Industrial Organization, Business Economics, Applied Econometrics

## EDUCATION

Ph.D. in Economics, University of Toronto 2024 (Expected)

*Committee:* Victor Aguirregabiria (supervisor), Heski Bar-Isaac,  
Avi Goldfarb

M.A in Economics, McGill University 2018

*Committee:* Laura Lasio (supervisor)

B.Com. in Economics, McGill University 2016

## RESEARCH

**Managerial Incentives, Within-Firm Competition, and Cannibalization in Retail Chains** (Job Market Paper)

**Decentralized Decision-Making in Retail Chains: Evidence from Inventory Management** with Victor Aguirregabiria [Under Journal Review]

## AWARDS AND GRANTS

University of Toronto Doctoral Fellowship 2018 - 2024

## PROFESSIONAL EXPERIENCE

Teaching Assistant 2018 - present

- ECO 310, ECO 380: Industrial Organization
- ECO 404: Managerial Economics
- ECO 460: Financial Risk Management
- ECO 374: Forecasting and Time Series
- ECO 220: Applied Econometrics
- ECO 105, ECO 200, ECO 202, ECO 313: Microeconomics and Macroeconomics

Research Assistant

2017 - 2021

- Victor Aguirregabiria (University of Toronto): Advanced programming and numerical analysis
- Jim Goldman (University of Toronto): Data collection and cleaning
- Francesca Carrieri (McGill University): Data analysis

## CONFERENCE PRESENTATIONS (\* ATTENDED BY COAUTHOR)

Annual Conference of the European Association for Research in Industrial Economics (Rome)	2023
Annual Conference of the International Association for Applied Econometrics (Oslo)	2023
Annual Conference of the Canadian Economics Association (Winnipeg)	2023
Access to Cash and Financial Services Workshop (Ottawa)	2023
Annual Conference of the Canadian Economics Association (Ottawa)	2022
International Industrial Organization Conference (Boston)*	2022
Conference to Honor John Rust (Washington)*	2022
Annual Conference of the European Association for Research in Industrial Economics (Bergen)	2021

## ACADEMIC SERVICE

Training Coordinator for Teaching Assistants, Department of Economics	2021
Co-President, Graduate Economics Union	2019 - 2020

## LANGUAGES

French (native), English (native)  
*Programming*: MATLAB, Stata, R

## REFERENCES

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## Abstracts

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### **Managerial Incentives, Within-Firm Competition, and Cannibalization in Retail Chains**

(Job Market Paper)

Designing incentives that encourage managers to exert effort is a primary concern for organizations. However, providing incentives that reward individual performance can decrease the degree of common ownership, leading to a misalignment between the objectives of the organization and the objectives of managers. This paper examines this trade-off in the context of a large Canadian retail chain, in which store managers receive performance-based incentives for handling the inventory management of their store. Using a revealed preference approach, a structural model shows that the degree of common ownership varies significantly across store managers. Particularly, results indicate that a larger store size and a closer proximity to rivals are associated with lower degrees of common ownership, creating an avenue for within-firm competition. Counterfactual experiments reveal that the current incentive system implies a substantial profit loss for the organization, particularly within denser clusters of stores, but that the impact on consumer surplus is ambiguous. An incentive system that aligns the degree of common ownership across store managers – for instance, a system that enhances the role of district managers – is explored, and is found to mitigate the cannibalization effects from within-firm competition.

### **Decentralized Decision-Making in Retail Chains: Evidence from Inventory Management**

with Victor Aguirregabiria [Under Journal Review]

This paper investigates the impact of decentralizing inventory decision-making in multi-establishment firms using data from a large retail chain. Analyzing two years of daily data, we find significant heterogeneity among the inventory decisions made by 634 store managers. By estimating a dynamic structural model, we reveal substantial heterogeneity in managers' perceived costs. Moreover, we observe a correlation between the variance of these perceptions and managers' education and experience. Counterfactual experiments show that centralized inventory management reduces costs by eliminating the impact of managers' skill heterogeneity. However, these benefits are offset by the negative impact of delayed demand information.