ExecuComp Summary

Universe

- 3462 companies from S&P 1500 both active and inactive. Follows firms even if ejected from index.

- From 1992. Collects up to 9 top executives. Most firms provide 5.

- More info here:

  https://wrds-www.wharton.upenn.edu/pages/support/manuals-and-overviews/compustat/execucomp/overview-executive-compensation/

Out variables of interest were

- **OPT_EXER_NUM**: Number of options exercised by the executive during the year.

- **OPT_UNEX_EXER_NUM:** The aggregate number of unexercised options held by the executive at fiscal year end that were vested.

- **OPT_UNEX_UNEXER_NUM:** The aggregate number of unexercised options held by the executive at fiscal year end that were not yet vested.

Looked at exercised options out of total options held:

Ratio = OPT_EXER_NUM / (Total of all 3)

And

Ratio = OPT_EXER_NUM / (OPT_EXER_NUM + OPT_UNEX_EXER_NUM)

Problems we ran into

- We don't know the strike price of these options. Would be difficult to back out.

- Do not know the expiration date nor the vesting period length.

- Essentially all we can see is the aggregate options for each individual.