Teaching Note  
Introduction to ExecuComp

<https://wrds-www.wharton.upenn.edu/classroom/execucomp/>

A. Case Overview: presents a synopsis of the exercise that is being taught.

Data availability, specifically the introduction of Standard & Poor’s Compustat ExecuComp in 1994, has led to a recent rise of academic research in the field of executive compensation.1  Ideally, researchers using ExecuComp data should have a high level of comfort using the dataset. This tool has been designed as a basic introduction to the product, including an overview of how ExecuComp data was affected by changing accounting standards in 2006.

In a guided exercise, users will practice performing a search for annual CEO total compensation. A tutorial to using the query form, including the WRDS conditional statement builder, is provided in the instructions in the slide deck.  
1 Andrew Koch, Stu Gillan, Jay Hartzell, and Laura Starks,”Getting the Incentives Right: Backfilling and Biases in Executive Compensation Data,” *Review of Financial Studies* Volume 31, Issue 4, (2018) 1460–1498.

B. Learning Objectives: after this lesson the following objectives should be met.

Upon completing the assignment, students will:

* Become familiar with Compustat’s ExecuComp dataset
* Execute a query and download ExecuComp data to Excel

C. Teaching Approach/Pedagogy: an explanation of how the lesson will be taught, and who the target audience is.

Researchers are the primary target audience. Assignment instructions are found in the accompanying PowerPoint slide deck, which you may distribute to students.

D. Assignment and Discussion Questions: provides questions that stimulate thought and facilitate understanding of the lesson.

1. What components typically make up executive compensation?
2. After reviewing the data available in ExecuComp, can you think of any possible research questions you might want to explore using this data?

E. Conclusion and Feedback: assesses whether learning objectives were met and solicits feedback from students about the effectiveness of the assignment.

Were the learning objectives met? Be sure to solicit feedback from students in order to ascertain what worked and what didn’t work with the assignment.

**YOUR FEEDBACK IS VITAL TO THE WRDS CLASSROOM INITIATIVE. PLEASE USE THE FOLLOWING LINK TO SEND COMMENTS AND SUGGESTIONS:**

[**https://wrds-www.wharton.upenn.edu/contact-support/**](https://wrds-www.wharton.upenn.edu/contact-support/)