

Duke University
The Fuqua School of Business
100 Fuqua Drive
Durham, NC 27708

Email: john.w.barry@duke.edu
Phone: (346) 228-2292
Web: <https://johnwbarry.info>

EDUCATION **Fuqua School of Business, Duke University** Durham, NC
PhD, Finance 2018-

Barcelona School of Economics Barcelona, Spain
MS, ITFD 2015-2016

Trinity College Dublin Dublin, Ireland
BA, Philosophy, Politics, Economics & Sociology (PPES) 2009-2013

RESEARCH
INTERESTS Corporate finance, capital budgeting and investment, executive compensation, corporate governance, shareholder voting, structural estimation

WORKS IN
PROGRESS **CEO Compensation and Shareholder Voice: Evidence from a Learning Model**
with James Pinnington
draft available soon

We estimate a model of executive compensation with non-binding shareholder approval votes ("Say-on-Pay"). Compensation decisions are delegated to a board, who is imperfectly informed of the executive's skill and biased towards offering a higher wage. Failed Say-on-Pay (SOP) votes punish the board for overpaying low-type executives, but also lead to a (perceived) cost to shareholders for dissenting from management. To match observed outcomes in compensation and SOP votes, the model needs shareholders to behave as if failed votes punish themselves nearly as much as the board. Eliminating this perceived shareholder cost would lower CEO wages and lead to more SOP failures, all else equal. Using our estimates, we construct several counterfactual governance mechanisms which allow shareholders to influence executive compensation.

Does the Investment Hurdle Rate Buffer Destroy Value?
with Bruce Carlin, Alan Crane and John Graham
draft available soon

Nearly eighty percent of CFOs use buffered hurdle rates that exceed their true cost of capital by 5% on average. Classic corporate finance argues that this should destroy value. But, this ignores the idea that projects change the boundary of the firm and that the price of inputs and upfront costs during project development are endogenously set by bargaining with counterparties. We develop a theoretical model of delegated bargaining that nests traditional explanations of why firms use buffers. Because hurdle rate buffers convey an advantage over counterparties during project development, this may create firm value, even though marginal, positive NPV projects get discarded. We use CFO survey data to empirically characterize buffer usage and examine predictions from the model.

PUBLICATIONS

Corporate Flexibility in a Time of Crisis

with Murillo Campello, John Graham and Yueran Ma

Journal of Financial Economics (June 2022)

We use the COVID shock to study the direct and interactive effects of several forms of corporate flexibility on short- and long-term real business plans. We find that i) *workplace flexibility*, namely the ability for employees to work remotely, plays a central role in determining firms' employment plans during the health crisis; ii) *investment flexibility* allows firms to increase or decrease capital spending based on their business prospects in the crisis, with effects shaped by workplace flexibility; and iii) *financial flexibility* contributes to stronger employment and investment, in particular when fixed costs are high. While the role of workplace flexibility is new to the COVID crisis, CFOs expect lasting effects for years to come: high workplace flexibility firms foresee continuation of remote work, stronger employment recovery, and shifting away from traditional capital investment, whereas low workplace flexibility firms rely more on automation to replace labor.

CONFERENCES &
SEMINARS**2022** Duke University, Inter-PhD Finance Conference**2021** American Finance Association Annual Meeting, ITAM Finance Conference**2020** Duke University (×2)RESEARCH
EXPERIENCE**Fuqua School of Business**

Durham, NC

Research Assistant for John Graham

2019-

Head RA for the [2021 AFA Presidential Address](#)

Research Assistant for Adriano Rampini & S. Vish Viswanathan

2019-2020

Research Assistant for Alon Brav

2018-2019

Harvard Business School

Boston, MA

Research Associate

2017-2018

Princeton University

Princeton, NJ

Research Associate

2016-2017

TEACHING
EXPERIENCE**Fuqua School of Business**

Durham, NC

*Head Teaching Assistant***Introduction to Corporate Finance** (MBA)

2019-

John Graham

Weekly TA sessions throughout course

Empirical Methods in Corporate Finance (PhD)

2019-

Manuel Adelino and Jillian Grennan

Guest lectures on coding best practices and financial data resources

TECHNICAL
SKILLS

Python, Julia, R, SQL, Stata, SAS, Git

Machine learning, neural networks, efficient algorithm design, structural estimation