

JOHN W. BARRY

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ACADEMIC EMPLOYMENT

Rice University, Jones Graduate School of Business

Houston, TX

Assistant Professor of Finance

2024-

EDUCATION

Duke University, Fuqua School of Business

Durham, NC

PhD, Finance

2018-2024

Barcelona School of Economics

Barcelona, Spain

MS, International Trade, Finance and Development (ITFD)

2015-2016

Trinity College Dublin

Dublin, Ireland

BA, Philosophy, Politics, Economics & Sociology (PPES)

2009-2013

WORKING PAPERS

Shareholder Voice and Executive Compensation (Job market paper, December 2023)

[Latest version, SSRN](#)

Managerial influence on the Board of Directors induces an agency problem in the design of executive compensation. I evaluate the role of shareholder voice in disciplining compensation practices by estimating a model of CEO compensation with non-binding shareholder approval votes (Say-on-Pay). The Board sets CEO pay and is biased towards a high wage; shareholders can fail the Say-on-Pay (SOP) and punish the Board for overpayment. Failed votes are perceived as costly by both the Board and shareholders: a cost of 2.06% (0.76%) of value for the Board (shareholders) is sufficient to match the data. SOP thus resembles a costly punishment mechanism and the disciplining effect on compensation increases firm value by 4.6% on average. Empirical evidence suggests the Board cost is a career and reputation concern for directors, and shareholders internalize a cost to dissenting from the Board on a prominent policy. I construct a counterfactual SOP mechanism which emulates giving a focal shareholder an advisory seat on the Board; this lowers the SOP failure rate, decreases wages and further increases firm value.

Project Development with Delegated Bargaining: The Role of Elevated Hurdle Rates

with Bruce Carlin, Alan Crane and John Graham (March 2024)

[SSRN](#)

During project development, costs are endogenously determined through delegated bargaining with counterparties. In surveys, nearly 80% of CFOs report using an elevated hurdle rate, the implications of which we explore in a delegated bargaining model. We show that elevated hurdle rates can convey a bargaining advantage that exceeds the opportunity cost of forgone projects, whether hurdle rate buffers arise for strategic or non-strategic reasons. Using CFO survey data, we find buffer use is negatively related to the cost of capital and ex ante bargaining power, consistent with the model, and that realized returns exhibit “beat the hurdle rate benchmark” behavior.

WORKS IN PROGRESS

Human Capital and Mobility in the Executive Labor Market

with Noah Lyman and Lin Zhao (July 2024)

We estimate a search model of executive careers, allowing for general and firm-specific human capital accumulation, firm and executive heterogeneity, and both internal and external CEO promotions. Our model can rationalize observed patterns in CEO hiring and wages. Wage growth over the manager's career is decomposed into contributions from general and firm-specific human capital accumulation, and job search via mobility and contract renegotiation (upward revisions in wages from on-the-job search). We also further study the impact of firm-specific skill (relative to general skill and firm-side heterogeneity) on the search components (mobility and contract renegotiation) of managerial wage growth.

PUBLICATIONS

Corporate Flexibility in a Time of Crisis

with Murillo Campello, John Graham and Yueran Ma (June 2022)

[Journal of Financial Economics](#)

CONFERENCES AND SEMINARS

- 2024:** Toulouse School of Economics, CEMFI, Cornell University, Notre Dame University, Rice University, Ohio State University, UMass Amherst, MIT Sloan, Boston College, University of Maryland, Vanderbilt University, UVA Darden, MFA, Eastern Finance, Aarhus Strategic Interactions Workshop[†]
- 2023:** AFA, LBS TADC, Inter-Finance PhD Seminar, Duke IO lunch, Fuqua, Olin Finance Conference PhD Poster Session, Boca Finance Conference
- 2020-2022:** AFA, ITAM Finance Conference, Fuqua (×3) [†] = scheduled

TEACHING EXPERIENCE

- PhD** Durham, NC
Head Teaching Assistant
Corporate Finance (MBA) 2019-2023
John Graham
Empirical Methods in Corporate Finance (PhD) 2019-2023
Manuel Adelino and Jillian Grennan
- Pre-PhD** Ireland, Spain
English Teacher, International House Dublin & Huelva 2013-2015
CELTA-qualified teacher of English as a foreign language

TECHNICAL SKILLS

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

PROFESSIONAL SERVICES

Referee: American Economic Review: Insights