

Felipe Cabezón

CONTACT INFORMATION	Virginia Tech Pamplin College of Business 880 West Campus Drive, Blacksburg, VA 24061	cabezón@vt.edu www.felipecabezón.com
RESEARCH INTERESTS	Corporate Finance, Corporate Governance, Information Economics	
APPOINTMENTS	Assistant Professor of Finance, Virginia Tech Pamplin College of Business,	2021 - present
EDUCATION	Ph.D. in Finance, USC Marshall School of Business M.A. in Economics, Pontificia Universidad Católica de Chile B.A. in Economics, Pontificia Universidad Católica de Chile	2016-2021 2012 2011
WORKING PAPERS	“Executive Compensation: The Trend Toward One Size Fits All” (Job Market Paper) WFA Trefftz Award for Best Student Paper R&R at <i>Journal of Accounting and Economics</i> Presentations: WFA (2021), SFS Cavalcade (2021), MFA (2021), FOM (2020)	

I report a “one-size-fits-all” trend in the structure of executive compensation plans. The distribution of compensation across pay components —salary, bonus, stock awards, options, non-equity incentives, pensions, and perquisites— has become more similar since 2006. 24% of the variation across firms disappeared in the last thirteen years. Using panel data regressions and plausibly exogenous shocks, I find that institutional investors’ influence on management decisions and proxy advisors’ recommendations are salient sources of this standardization. Finally, I find evidence suggesting that uniformity might come at the expense of optimal incentives, as increases in compensation similarity translate into lower shareholder value.

“The Effect of Mandatory Information Disclosure on Financial Constraints”

R&R at *Journal of Financial and Quantitative Analysis*
Presentations: AFA (2019), TADC (2019)

This paper examines the effects of mandatory disclosure systems on firms’ financial constraints and investment policies. I study a regulatory reform that eliminated the special disclosure system of small firms and integrated it into the standard disclosure system of large firms. Companies that voluntarily used the standard system before the reform become less debt-constrained, issue more debt and increase their investment. The findings are consistent with mandatory disclosure providing a commitment device for future disclosure that reduces the agency cost of debt.

“Leaky Director Networks and Innovation Herding”, with Gerard Hoberg

Presentations: AFA (2023)

We first document that, despite potential legal issues, overlapping directors are surprisingly prevalent among direct competitors. Using panel data regressions and plausibly exogenous shocks, we find that competing firms in markets with dense overlapping-director networks experience innovation herding, lose product differentiation, and ultimately perform poorly. Novel text-based network propagation tests of technologies show that intellectual property leakage plays a role as firms with dense overlapping director networks experience faster propagation of technologies to competitors. Our findings suggest a coordination problem where industry participants cannot stop rivals from earning small gains from leakage despite much larger community-wide negative externalities.

“Racial diversity and inclusion without equity? Evidence from executive compensation”, with Eliezer Fich and Lubomir Litov

Using cosine similarity methods, we find that the compensation structure of C-suite executives (except CEOs) varies according to their ethnicity/race. On average, Black, Hispanic, Asian, and Native American executives receive less equity-based pay than white executives. A one-standard-deviation decrease in pay structure similarity is associated with a 10% increase in the pay gap between white and ethnic-minority executives. This association is higher for companies headquartered in areas with a higher racism index. Firms with more similar racial pay structures exhibit higher stock market valuations, better operating performance, less financial fraud, and lower CEO-to-median-worker pay ratios.

NATIONAL MAJOR FINANCE CONFERENCES	2023	American Finance Association (AFA): “Leaky Director Networks and Innovation Herding”
	2021	Western Finance Association (WFA): “Executive Compensation: The Trend Toward One Size Fits All” (discussed by Vicente Cuñat)
	2021	SFS Cavalcade North America: “Executive Compensation: The Trend Toward One Size Fits All” (discussed by Dirk Jenter)
	2021	Midwest Finance Association (MFA): “Executive Compensation: The Trend Toward One Size Fits All” (discussed by Zhi Li)
	2020	Finance, Organizations and Markets (FOM): “Executive Compensation: The Trend Toward One Size Fits All” (discussed by Wayne Guay)
	2019	American Finance Association (AFA): “The Effect of Mandatory Information Disclosure on Financial Constraints” (discussed by Toni Whited)
MAJOR FIELD CONFERENCES AND DOCTORAL CONFERENCES	2022	Southern Finance Association (SFA)
	2022	Commonwealth Finance Workshop
	2022	Financial Markets Corporate Governance Conference (FMCG)
	2022	UC Economics Alumni Conference
	2020	USC FBE Seminar
	2019	Uandes Corporate Finance Conference
	2019	Trans-Atlantic Doctoral Conference
	2019	UC Economics Alumni Conference
	2018	SEC Doctoral Student Symposium
	2018	UC CFEA Conference
	2015	Annual Meeting of the Economic Society of Chile (SECHI)
HONORS AND AWARDS	2022	FMCG Best Paper Award
	2021	WFA Trefftz Award for Best Student Paper
	2020	UC Corporate Governance Center (CGCUC)
	2019	USC Global Branding Center Fellowship for outstanding dissertation
	2019	USC Ford Fellowship for outstanding dissertation
	2017	UC Corporate Governance Center (CGCUC)

DISCUSSIONS	2023	American Finance Association (AFA)
	2022	Southern Finance Association, Financial Markets Corporate Governance Conference (FMCG), Commonwealth Finance Workshop, Financial Management Association
	2021	Financial Management Association
	2019	Trans-Atlantic Doctoral Conference
TEACHING (MAIN INSTRUCTOR)	2023	VT Pamplin: Corporate Finance (Ph.D. level), Asset Valuation and Governance (undergraduate)
	2022	VT Pamplin: Asset Valuation and Governance (undergraduate)
	2020	USC Marshall: Microeconomics for Business (undergraduate)
	2014 - 2016	Universidad de los Andes: Industrial Organization (undergraduate), Principles of Macroeconomics (undergraduate)
CONFERENCE ORGANIZER	2019	7th USC Annual Ph.D. Conference in Finance
REFEREE		Quarterly Journal of Economics, Review of Finance, Review of Corporate Finance Studies, Journal of Corporate Finance, Review of Accounting Studies, Journal of Empirical Finance
RESEARCH ASSISTANT	2019	Kevin Murphy, Professor of Finance USC Marshall School of Business
	2016 - 2017	Gerard Hoberg, Professor of Finance USC Marshall School of Business
	2015 - 2016	Gabriel Natividad, Professor of Economics Universidad de Piura, Perú
	2014 - 2016	Giorgo Sertsios, Professor of Finance Universidad de los Andes, Chile
	2011	Francisco Rosende, Professor of Economics PUC, Chile
TEACHING ASSISTANT	2018-2019	USC Marshall: Fundamentals of Corporate Finance (graduate), Advanced Corporate Finance I and II (graduate).
	2008-2011	Pontificia Universidad Católica de Chile: Principles of Macroeconomics (×2), Advanced Macroeconomics, International Economics (×5), International Trade.
	2015	Universidad de los Andes: Empirical Methods in Finance.
PROFESSIONAL EXPERIENCE	2013	Ministry of Economics, Government of Chile: Advisor to the Minister
	2012 - 2013	Ministry of Economics, Government of Chile: Research Analyst at the Competitiveness Office
	2012	Interministerial Commission for Financial Inclusion
TECHNICAL SKILLS	Softwares: Stata, R, Mathematica	
	Database experience: CRSP, COMPUSTAT, Execucomp, ISS Incentives Lab, Voting Analytics, Boardex, I/B/E/S, Hoberg and Phillips Text Based Industry Classifications	

REFERENCES

Gerard Hoberg

Charles E. Cook Community Bank Professor of Finance
Marshall School of Business
University of Southern California
Los Angeles, CA 90089
hoberg@marshall.usc.edu
(213) 740-2348

John Matsusaka

Charles F. Sexton Chair in American Enterprise, Professor of Finance and Business Economics
Marshall School of Business
University of Southern California
Los Angeles, CA 90089
matsusak@usc.edu
(213) 740-6495

Kevin J. Murphy

Kenneth L. Trefftz Chair in Finance
Marshall School of Business
University of Southern California
Los Angeles, CA 90089
kjmurphy@usc.edu
(213) 740-6553

Last update: August, 2023