

II Jaime Fernández de Araoz Award for María Guadalupe and Vicente Cuñat

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The II Jaime Fernández de Araoz Corporate Finance Award has been awarded to Professors María Guadalupe and Vicente Cuñat for a research paper in which they connect salaries of industrial companies top managers of the United States with international competition. María Guadalupe and Vicente Cuñat, Professors of Finance at Columbia Business and Pompeu Fabra University, respectively, have been awarded for their paper “Globalization and incentives provision in firms: the effects of international competition”.

This paper was chosen among other 26 researchs, according to Alejandro Fernández de Araoz, one of the brothers of the person being honoured. It reviews the salary of 5.000 top managers of industrial companies in the United States.

The paper concludes that “international competition affects to salary structures of firms as well as to the kind of incentives offered and its continuity”.

Besides, the paper explains that increasing international competitiveness “is related with a greater sensitivity on the variable compensation of top managers towards companies’ bottom line, the greater differentials among different compensation executive levels and a greater demand of talented managers on top of the companies”.

The award, which will be handed on May 29th by the Prince of Asturias, carries a cash prize of Euros 10.000 plus a Martín Chirino sculpture. It is the only one of its kind in Spain and its goal is “to contribute to Corporate Finance development while supporting research and study on investment banking.