TheII Jaime Fernández de Araoz Award explores top managers salaries.

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The Jaime Fernández de Araoz Corporate Finance Award –the only one of its kind- has recognized in its second edition the importance of the relation between top managers compensation and the increasing international competitiveness. This was the perception of the jury when it came to award the paper “Globalization and incentives provision in firms: the effects of international competition” by María Guadalupe and Vicente Cuñat, Professors of Finance at Columbia Business School and Pompeu Fabra University, respectively. The Crown Prince of Spain will hand them the award, which carries a cash prize of Euros 1.000 plus a Martin Chirino sculpture on May 29th.

The award was established to the memory of Jaime Fernández de Araoz, who died in 2003 when he was Managing Director of Citigroup. His brother Alejandro Fernández de Araoz introduced the event and explained the conclusions of the members of the Jury, chaired by Juan Rodríguez Inciarte, managing director of Santander. Two of its members, Rafael Repullo, managing director of CEMFI, and Alvaro Cuervo, head of the Business Organization department of Complutense University, detailed the paper’s conclusions which assume that top managers variable compensation moves forward consistent with competitiveness growth within their sector.