Clint Hamilton
UC Berkeley, Haas School of Business

545 Student Services Building
Berkeley, CA 94720-1900

cth@berkeley.edu

March 6, 2024

To whom it may concern,

I am a highly motivated candidate for the NBER Doctoral Training Workshop on Economics of Executive Compensation. I am currently in my fourth year as a Finance PhD Candidate at UC Berkeley, Haas School of Business. I have completed my coursework which included a year long sequence on Corporate Finance and received an A+ in the Empirical Corporate Finance course which included a section on executive compensation. I am deeply interested in executive compensation and am extremely excited to deepen my understanding of the field.

My research and research interests are further discussed in my attached statement of purpose. In addition to my own research, I am currently a Graduate Student Researcher for Ulrike Malmendier. I completed the Yale Summer School in Behavioral Finance in 2022 which enhanced my knowledge of behavioral finance. Before my PhD, I completed a two year pre-doctoral research assistantship for Ulrike Malmendier. I completed the 2017 Open Source Macroeconomic Laboratory at the Becker Friedman Institute at the University of Chicago which focused on training in dynamic programming for economics.

The NBER Doctoral Training Workshop on Economics of Executive Compensation constitutes an amazing opportunity to ensure I am grounded in current literature and to learn more about the research frontier. I am also extremely excited to develop relationships and discuss research ideas, both with leaders in the field and my peers from other universities. My advisor highly recommended the program, which has only furthered my interest. Thank you for your time and consideration.

Sincerely,

Clint Hamilton

Reference:

Ulrike Malmendier
UC Berkeley
Haas School of Business and Department of Economics
ulrike@berkeley.edu

Clint Hamilton

CONTACT INFORMATION

UC Berkeley
Haas School of Business
545 Student Services Building
Berkeley, CA 94720-1900

Phone: (408) 482-1763
E-mail: cth@berkeley.edu

RESEARCH INTERESTS

Primary Fields: Corporate Finance, Behavioral Finance
Secondary Fields: Organizational Economics, Computational Economics

EDUCATION

University of California, Berkeley, Berkeley, California USA

Ph.D., Finance, Expected Graduation May, 2025
- GPA: 3.93
- *First-year Coursework*: Microeconomic Theory, Econometrics, Macroeconomics, Stochastic Calculus with Asset Pricing Applications
- *Second-year Coursework*: Corporate Finance (Theory & Empirics), Asset Pricing (Theory & Empirics), Behavioral Economics (Foundations & Applications), Applied Econometrics

M.S., Finance, December, 2022
B.A., Economics & Applied Mathematics, May, 2018

HONORS AND AWARDS

UC Berkeley: Highest Distinction in General Scholarship, Highest Honors in Economics, 2018

University of Chicago, Becker Friedman Institute, OSM Laboratory: Student Researcher, 2017
- Completed with Distinction
- Awarded $4,200 plus travel, room, and board expenses

ACADEMIC EXPERIENCE

University of California, Berkeley, Berkeley, California USA

Graduate Student Researcher for Ulrike Malmendier **August, 2020 - Present**

Pre-Doctoral Research Assistant for Ulrike Malmendier **June, 2018 - June, 2020**

Graduate Student Instructor (Teaching Assistant) **August, 2017 - May, 2018**
- Economics 100B Economic Analysis–Macro, Steven Wood, Fall 2017 & Spring 2018.

Undergraduate Research Assistant for Ulrike Malmendier **January, 2017 - May, 2018**

Rice University, Baker Institute, Houston, Texas USA

Research Assistant for Jorge Barro **August, 2017 - May, 2018**

University of Chicago, Becker Friedman Institute, Chicago, California USA

Student Researcher **June - August, 2017**

RESEARCH IN PREPARATION

Guenzel, M., C. Hamilton , and U. Malmendier. 2022. Prosociality and Layoffs.

WORKING PAPERS

Barro, J. and C. Hamilton. 2018. Measuring lifetime sales tax progressivity: A simulation-based approach. Working Paper. Baker Institute for Public Policy.

OTHER WRITINGS

Hamilton, C. and U. Malmendier. 2024. New Lessons from Behavioral Economics. IMF Finance and Development, 61(1), 2024, 36-39.

Professional Experience

TMS Health Solutions, San Francisco, California USA
Financial Analyst Intern — **June, 2016 - August, 2017**

Hedge Trackers, San Jose, California USA
Business Analyst Intern — **May - August, 2015**

Volunteer Work

Berkeley Student Food Collective, Berkeley, California USA
Board Member — **August, 2015 - May, 2016**
Fundraising Coordinator — **August, 2015 - May, 2016**

Technical Skills

Advanced scientific computing: Leveraged 4 computing clusters, including 2 supercomputers.

- Statistical Packages: Stata, Matlab; some experience with R.
- Languages: Python, Julia; some use of C++, MPI parallel processing library.
- Applications: LaTeX, Microsoft office.

My two primary areas of research are corporate finance and behavioral finance. I am particularly interested in the intersection of these two fields. Much of my personal and joint research has specifically focused on executives and their compensation. I have been interested in and worked on this topic since my time as an undergraduate. (My undergraduate thesis focused on how the amount of leisure time taken by CEOs.) I have a strong computational skill set which I believe will be useful in both collecting and making use of large data sets to obtain greater insights into executives and their compensation. I believe that the Doctoral Training Workshop on Economics of Executive Compensation will help me better understand what questions are most relevant to pursue so that I can make a greater contribution to the literature.

My recent research has focused on how restrictive covenants in CEO employment contracts affect compensation and employee poaching. While existing research has studied the effect of non-competition clauses on CEO mobility and compensation, I have focused on non-recruitment clauses. This is important because non-recruitment clauses commonly occur in tandem with non-competition clauses and are often affected by the same policies and legal precedents. Additionally, the threat of a CEO leaving and taking her best employees with her is a major concern and can apply even if the CEO does not work for a competitor. I built a pipeline to automatically collect and process corporate filings in order to obtain CEO employment agreements. I then gained access to contract review tools to determine what clauses each agreement contains. I have focused on the effect of the California Supreme Court's 2018 decision in AMN Healthcare, Inc. v. Aya Healthcare Services, Inc. which exclusively nullified non-recruitment clauses in the state. I'm specifically interested in how non-recruitment clauses affect CEO compensation and executive poaching when CEOs transition to new firms. Additionally, I have worked to familiarize myself with the literature on board structure, compensation committees, and compensation consultants with the intention of developing further research on the relationship between boards and executive compensation.

One topic on which my research has focused is how executive prosociality affects corporate decision-making and executive health. Currently, I am coauthoring a paper on CEO prosociality and mass layoffs with Marius Guenzel and Ulrike Malmendier. Using data from 1970 to 1991, we find that CEOs who undertake layoffs in times of crises have higher mortality rates. To address this question with more modern data, we used NLP (accompanied by manual review) to create a new data set on layoff announcements, size, and location for S&P 1500 firms for the past 20 years. We focus on how CEOs with longer tenure or who were promoted from within the firm, and thus should be more connected to employees, are less likely to undertake layoffs. While we cannot randomize tenure, the closest natural experiment is exogenous turnovers which plausibly-exogenously assign a new CEO, who starts with no tenure, to the firm. We find that CEOs with less tenure are more likely to conduct layoffs. Consistent with prosociality driving this result, we find that as CEO tenure increases they are less likely to layoff employees in December or geographically closer employees. In spite of the health costs, we find evidence that CEO compensation falls following layoffs. We are also working to analyze CEO speech patterns using text analysis to identify more prosocial CEOs. This research was presented at the Fall 2023 NBER Behavioral Finance Working Group Meeting.

In conclusion, I am and have long been deeply interested in and studied executive compensation. My skillset which includes a strong computational background, including using high performance computing and leveraging machine learning, is well suited to the study of executive compensation and will allow me to perform novel research. I believe that being selected for this workshop would be tremendously helpful for my research and allow me to better support my peers doing related research on corporate finance. Thank you for your time and consideration.

UNIVERSITY OF CALIFORNIA, BERKELEY

BERKELEY • DAVIS • IRVINE • LOS ANGELES • MERCED • RIVERSIDE • SAN DIEGO • SAN FRANCISCO

SANTA BARBARA • SANTA CRUZ

ULRIKE MALMENDIER
DEPARTMENT OF ECONOMICS
UNIVERSITY OF CALIFORNIA, BERKELEY
BERKELEY, CALIFORNIA 94720-3880
EMAIL: ulrike@econ.berkeley.edu
TEL: 510-642-0822; FAX: 510-642-6615

March 5, 2024

Dear colleagues,

I am writing to strongly recommend Clint Hamilton for the Doctoral Training Workshop on Economics of Executive Compensation. Clint is a talented and innovative researcher with a strong interest and background in behavioral economics.

I have known Clint since 2017 when he was an undergraduate research assistant for me at UC Berkeley. Already as an undergraduate student he developed both the economic understanding and his technical skills to meaningfully contribute to my research. For example, in one case, he implemented an algorithm using parallel processing to match names against the set of all last names made available by the Census Bureau.

Subsequent to his undergraduate career, he served as my full-time pre-doctoral research assistant for two years. He demonstrated strong talent with model work and his computational toolkit. In a particular case early in his tenure, he was asked to replicate a complex, numerically solved consumption model. He was able to quickly understand and replicate the original model. In addition, he demonstrated a strong understanding of the research question and was able to offer an intelligent suggestion as to which parameter we should use to incorporate experience-based learning. For example, he methodically ensured that the simulated distributions for our computations were robust and scaled up the computation to the supercomputer when it became needed.

At present, Clint is an outstanding doctoral student and my advisee in the finance group at our business school. He is very interested and engaged with research on Executive compensation. He completed my course in empirical corporate finance (with an A+) and our corporate finance theory course. The primary focus of his research is corporate finance with an emphasis on executive compensation.

In terms of his own research projects, let me start from the project he is recently focusing on, in which he wants to evaluate th effect of "non-recruitment agreements" (alongside with the usual non-compete agreements). First, he managed to automatize the collection of CEO employment agreements, leveraging tools for text analysis such as natural language processing and ChatGPT. His initial analyses focused on how non-recruitment agreements may affect CEO compensation and employee poaching when CEOs change companies. He has started by focusing on a unique policy change in one state as a source of identification and is working on ways to expand his analyses and I'm excited to see how the project will evolve. Overall, his work demonstrates his skill set, research potential, and dedication to the topic.

Let me also briefly remark on our joint work, also with Marius Guenzel (Wharton). Our research question is how CEO prosociality shapes human capital decisions, specifically layoffs, in a different way than physical capital decisions. We introduce the novel concept of "behavioral adjustment costs" to the CEO from layoffs, emphasizing the stress and health impacts a layoff

has on the CEO. We show that this cost increases as CEOs' tenure or connection to their employees increases or when the layoffs are more painful for employees, such as during the holidays. Clint has been instrumental in determining the optimal data to gather, managing my undergraduate research assistants in the process of gathering this data, and devising the identification strategy for the paper.

Overall, Clint is a devoted, highly skilled, smart, and hard-working student with a strong interest in the economics of executive compensation and he has great research potential. I think both he and others at the workshop would greatly benefit from his attendance.

I very much hope you can consider his application.

Best regards,



Ulrike Malmendier