



Tournaments, Contests and Relative Performance Evaluation

March 8-9, 2008
North Carolina State University
College of Management
Nelson Hall
Raleigh, North Carolina

Program Overview

Session Locations

Session A	1120 Nelson Hall
Session B	1130 Nelson Hall
Session C	1140 Nelson Hall
Session D	1150 Nelson Hall

Saturday, March 8

8:00 AM - 5:00 PM	Registration: First Floor Commons [lower level, Nelson Hall]
8:00 AM - 9:00 AM	Continental Breakfast: First Floor Commons [lower level, Nelson Hall]
9:00 AM - 10:30 AM	Sessions: A, B, C
10:30 AM - 10:45 AM	Coffee Break: First Floor Commons [lower level, Nelson Hall]
10:45 AM - 12:15 PM	Sessions: A, B, C, D
12:15 PM - 1:45 PM	Lunch: Nelson Student Commons [second floor, Nelson Hall]
1:45 PM - 3:15 PM	Sessions: A, B, C, D
3:15 PM - 3:30 PM	Coffee Break: First Floor Commons [lower level, Nelson Hall]
3:30 PM - 5:00 PM	Sessions: A, B, C, D
5:15 PM - 6:30 PM	Keynote Address: 2405 Nelson Hall Edward Lazear Stanford Graduate School of Business, and Chair, Council of Economic Advisors “Tournaments are Real”
7:00 PM - 8:30 PM	Reception: Assembly Room, Brownstone Hotel

Sunday, March 9

8:30 AM - 12:00 PM	Registration: First Floor Commons [lower level, Nelson Hall]
8:30 AM - 9:00 AM	Continental Breakfast: First Floor Commons [lower level, Nelson Hall]
9:00 AM - 10:30 AM	Sessions: A, B, C
10:30 AM - 10:45 AM	Coffee Break: First Floor Commons [lower level, Nelson Hall]
10:45 AM - 12:15 PM	Sessions: A, B, C, D

Conference Program

(Presenting authors in co-authored papers are indicated by *)

Saturday, March 8

8:00 AM - 9:00 AM

**Continental Breakfast/
Conference Opening**

First Floor Commons [lower level, Nelson Hall]
Associate Dean Steve Allen

9:00 AM - 10:30 AM

Session A
Relative Performance
Evaluation I

Chair: Xiaoyong Zheng, North Carolina State University
Jason Cummins, Brevan Howard Asset Management, and
*Ingmar Nyman, Hunter College, CUNY
“‘Yes-Men’ in Tournaments”

Pierre Fleckinger, Ecole Polytechnique & Columbia Business School
“On Multiagent Moral Hazard under Technological Uncertainty”

Session B
Politics I

Chair: Dan Kovenock, Purdue University
*Hans Haller, Virginia Tech, and Richard Milam, Andrew Corporation
“Protection at Stake”

*Stergios Skaperdas, University of California-Irvine, and
Samarth Vaidya, Deakin University
“Persuasion as a Contest”

*Brian Roberson, Miami University, and Dan Kovenock, Purdue University
“Is the 50-State Strategy Optimal?”

Session C
Contests and Sports

Chair: Stefan Szymanski, Cass Business School
*Wolfgang Hoechtl, University of Innsbruck,
Rudolf Kerschbamer, University of Innsbruck,
Janette Walde, University of Innsbruck, and
Aaron Kaplan, Vienna University of Technology
“Play-off Seeding and Regular Season Competition”

Ghazala Azmat, University Pompeu Fabra, and
*Marc Möller, Universidad Carlos III de Madrid
“Competition Amongst Contests”

Stefan Szymanski, Cass Business School
“Competitive Balance, the Paradox of Power and the Invariance Principle”

10:30 AM - 10:45 AM

Coffee Break

First Floor Commons [lower level, Nelson Hall]

10:45 AM – 12:15 PM

Session A

Dynamic Tournaments

Chair: Giuseppe Lopomo, Duke University

Jeongmeen Suh, Boston University

“Optimal Repeated Contests with the Same Players”

Florian Ederer, MIT

“Feedback and Motivation in Dynamic Tournaments”

Maria Goltsman, University of Western Ontario, and

*Arijit Mukherjee, Bates White LLC

“Information Disclosure in Multistage Tournaments”

Session B

Politics II

Chair: Justin Wolfers, University of Pennsylvania

Ivan Pastine, University College Dublin, and

*Tuvana Pastine, National University of Ireland Maynooth

“Politician Preferences and Caps on Political Lobbying”

Galina Zudenkova, Universidad Carlos III de Madrid

“Split-Ticket Voting: An Implicit Incentives Approach”

Justin Wolfers, University of Pennsylvania

“Are Voters Rational? Evidence from Gubernatorial Elections”

Session C

Prize Structure

Chair: Theofanis Tsoulouhas, North Carolina State University

Dongryul Lee, Virginia Tech

“Weakest-Link Contests with Group-Specific Public Good Prizes”

*Frederic Warzynski, Aarhus School of Business,

Valerie Smeets, Aarhus School of Business, Aarhus University & CCP, and

Tom Coupé, EROC

“Incentives versus Sorting: The Wage Policy of U.S. Economics Departments”

Steffen Brenner, Humboldt University Berlin

“Do Europeans Shy Away from Competition? Types of Contestants and the Structure of Tournaments”

Session D

Testing with Sports
and Games

Chair: Mike Maloney, Clemson University

*Charles Moul, Washington University, and John Nye, George Mason University

“Did the Soviets Collude? A Statistical Analysis of Championship Chess 1940-64”

Jennifer Brown, University of California-Berkeley

“Quitters Never Win: The (Adverse) Incentive Effects of Competing with Superstars”

Bentley Coffey, Clemson University, and *Mike Maloney, Clemson University

“Beating a Live Horse: Effort’s Marginal Cost Revealed in a Tournament”

12:15 PM – 1:45 PM

Lunch

Lunch will be provided: Nelson Student Commons
[second floor, Nelson Hall]
Participants who wish to have lunch on their own may check
the dining options provided in the conference information packet.

1:45 PM – 3:15 PM

Session A

Tournaments and
Contracts

Chair: Charles Knoeber, North Carolina State University

Robert Dur, Erasmus University Rotterdam, and

*Joeri Sol, Erasmus University Rotterdam

“Work Climate, Reciprocity and Incentives”

Maya Eden, MIT

“Tournaments as Optimal Contracts”

*Kosmas Marinakis, North Carolina State University, and

Theofanis Tsoulouhas, North Carolina State University

“Tournaments and Liquidity Constraints for the Agents”

Session B

Career Concerns

Chair: Kose John, New York University

Pablo Casas-Arce, Universitat Pompeu Fabra

“Career Tournaments”

*Michael Mazzeo, Northwestern University, and

Julie Cullen, University of California, San Diego

“Accountability Programs and Intradistrict Promotion Tournaments
for Principals: An Empirical Analysis of the Texas Public School Systems”

*Kose John, New York University, Abraham Ravid, Cornell University, and
Jayanthi Sunder, Northwestern University

“Performance and Managerial Turnover: Evidence from the Career Paths of
Film Directors”

Session C

Heterogeneous
Contestants I

Chair: Christian Riis, Norwegian School of Management

*Kerstin Pull, Universität Tübingen, and

Uschi Backes-Gellner, Universität Zürich

“Tournament Compensation in the Organizational Practice: The Adverse
Effects of Contestant Heterogeneity and How They may be Reduced with the
Help of an Intelligent Information Disclosure Mechanism”

Galyna Petrenko, Universidad Carlos III de Madrid

“Equilibrium Strategies in the Multi-Stage Contests under
Constrained Resources”

Christian Riis, Norwegian School of Management

“Efficient Contests”

Session D
Elimination
Tournaments

Chair: Alexander Matros, University of Pittsburgh
*Steffen Altmann, IZA Bonn and University of Bonn,
Armin Falk, University of Bonn and IZA, and
Matthias Wibral, University of Bonn and IZA
“Promotions in Multi-Stage Elimination Tournaments: An Experimental
Investigation”

*Jun Zhang, Queen’s University, and Ruqu Wang, Queen’s University
“The Role of Information Revelation in Elimination Contests”

Alexander Matros, University of Pittsburgh
“Elimination Tournaments where Players Have Fixed Resources”

3:15 PM – 3:30 PM

Coffee Break

First Floor Commons [lower level, Nelson Hall]

3:30 PM – 5:00 PM

Session A
Dimensionality of
Contests

Chair: Hans Haller, Virginia Tech
*Wooyoung Lim, University of Pittsburgh, and
Alexander Matros, University of Pittsburgh
“Contests with a Stochastic Number of Players”

Qiang Fu, National University of Singapore, and
*Jingfeng Lu, National University of Singapore
“The Beauty of ‘Bigness’ in Contest Design: Merging or Splitting?”

*Guangling Liu, Tsinghua University, and
Yijiang Wang, University of Minnesota
“The Optimal Design of Repeated Uneven Tournaments with
Incomplete Information and Moral Hazard”

Session B
Contest Success
Function

Chair: Stergios Skaperdas, University of California-Irvine
*Dan Kovenock, Purdue University, and Brian Roberson, Miami University
“Terrorism and the Optimal Defense of Networks of Targets”

*Qiang Fu, National University of Singapore, and
Jingfeng Lu, National University of Singapore
“Unifying Contests: Noisy Ranking and Ratio-Form Contest
Success Functions”

*Andrew Yates, University of Richmond
“Winner-Pay Contests”

Session C:
Heterogeneous
Contestants II

Chair: Luis Corchón, Universidad Carlos III de Madrid

*Dana Sisak, University of St. Gallen, and
Martin Kolmar, University of St. Gallen
“Multi-Prize Contests as Incentive Mechanisms for the
Provision of Public Goods with Heterogeneous Agents”

*Asis Martinez Jerez, Harvard Business School, and
Pablo Casas-Arce, Universitat Pompeu Fabra
“The All-Pay Auction with Handicaps”

*Carmen Beviá, Universitat Autònoma de Barcelona, and
Luis Corchón, Universidad Carlos III de Madrid
“Cooperative Production and Efficiency”

Session D: Incentives

Chair: Tracy Lewis, Duke University

*Takao Kato, Colgate University, and Cheryl Long, Colgate University
“Tournaments and Managerial Incentives in China’s Listed Firms”

*Jed DeVaro, Cornell University, and
Hodaka Morita, University of New South Wales
“Internal Promotions and External Recruitment: A Theoretical
and Empirical Analysis”

Tracy Lewis, Duke University
“Open Source Innovation and Sharing Information in
Competitive Environments”

5:15 PM – 6:30 PM

Keynote address

2405 Nelson Hall

Edward Lazear, Stanford Graduate School of Business,
and Chair, Council of Economic Advisors
“Tournaments are Real”

7:00 PM – 8:30 PM

Reception

Assembly Room, Brownstone Hotel

Sunday, March 9

8:00 AM - 9:00 AM

Continental Breakfast

First Floor Commons [lower level, Nelson Hall]

9:00 AM - 10:30 AM

Session A

Relative Performance
Evaluation II

Chair: Tor Eriksson, Aarhus School of Business

Jean-Louis Rulliere, GATE - University of Lyon, and
Sabrina Teyssier, GATE - University of Lyon
“After Promotion by Tournament: What Happens?
The Long-Lasting Power of Incentives”

Alexander Kempf, University of Cologne,

*Stefan Ruenzi, University of Texas (Austin), and
Tanja Thiele, University of Cologne

“Employment Risk, Compensation Incentives and Managerial Risk Taking:
Evidence from the Mutual Fund Industry”

*Tor Eriksson, Aarhus School of Business,

Anders Poulsen, University of East Anglia, and
Marie Claire Villeval, CNRS, University of Lyon

“Feedback, Incentives, and Performance: Experimental Evidence”

Session B

Groups

Chair: William Chan, University of Hong Kong

Alex Gershkov, University of Bonn,
Jianpei Li, Humboldt University of Berlin, and

*Paul Schweinzer, University of Bonn
“Efficient Tournaments within Teams”

Tomislav Vukina, North Carolina State University, and

*Xiaoyong Zheng, North Carolina State University

“Homogenous and Heterogenous Contestants in Cardinal Tournament
Games: Theory and Empirical Analysis”

*William Chan, University of Hong Kong, and

Priscilla Man, University of Chicago

“Help and Factionalism in Politics and Organizations”

Session C

Risk Taking

Chair: Jill Stowe, Duke University

*Christos Genakos, Cambridge University, and
Mario Pagliero, University of Turin

“Risk Taking and Effort in Tournaments: Evidence from Weight
Lifting Competitions”

*Jun Chen, Carleton University, and Zhiqi Chen, Carleton University

“Incentives and Risks in Rank-Order Random-Prize Tournaments”

10:30 AM – 10:45 AM

Coffee Break

First Floor Commons [lower level, Nelson Hall]

10:45 AM – 12:15 PM

Session A

Cheating

Chair: Tomislav Vukina, North Carolina State University

*Philip Curry, Simon Fraser University, and
Steve Mongrain, Simon Fraser University
“Deterrence in Rank-Order Tournaments”

Scott Gilpatric, University of Tennessee
“Cheating in Contests”

*Jill Stowe, Duke University, and Scott Gilpatric, University of Tennessee
“Cheating in Asymmetric Tournaments: Closing the Gap or Maintaining
an Advantage”

Session B

Promotions

Chair: Michael Waldman, Cornell University

*Tim Barmby, University of Aberdeen,
Barbara Eberth, University of Aberdeen, and
Ada Ma, University of Aberdeen
“Things Can Only get Worse? An Empirical Examination of the
Peter Principle”

Anja Schoettner, University of Bonn, and
*Veikko Thiele, University of British Columbia
“Promotion Tournaments and Individual Performance Pay”

*Michael Waldman, Cornell University, and
Suman Ghosh, Florida Atlantic University
“Standard Promotion Practices versus Up-or-Out Contracts”

Session C

Measurement and
Benchmarking

Chair: Walter Thurman, North Carolina State University

Felix Meschke, University of Minnesota, and
Truong Duong, University of Minnesota
“The Rise and Fall of Portfolio Pumping among U.S. Mutual Funds”

Itay Fainmesser, Harvard University,
Chaim Fershtman, Tel Aviv University, and
*Neil Gandall, Tel Aviv University
“A Consistent Weighted Ranking Scheme with an Application to
NCAA College Football Rankings”

Shane Dikolli, Duke University,
*Christian Hofmann, University of Mannheim, and
Thomas Pfeiffer, University of Vienna
“Efficient Benchmarking”

Session D

Rent Seeking Contests

Chair: Huseyin Yildirim, Duke University

Oliver Gurtler, University of Bonn

“Haggling for Rents, Relational Contracts, and the Theory of the Firm”

Sina Risse, Technical University of Dortmund

“Two Stage Group Rent Seeking with Negatively Interdependent Preferences”

Tobias Guse, Technical University of Dortmund

“Is the Assumption of Simultaneous Moves in Contests Justifiable?”

Notes

Conference Organizers and Key Partners

**Sponsoring
Organization**

The North Carolina State University College of Management
www.mgt.ncsu.edu

Organizers

Charles Knoeber and Theofanis Tsoulouhas, Department of Economics,
North Carolina State University College of Management, and
Tomislav Vukina, Department of Agricultural and Resource Economics
North Carolina State University College of Agriculture and Life Sciences

Communications

Anna Rzewnicki, The North Carolina State University College of Management

**Administrative
Support**

NC State University McKimmon Center for Extension and Continuing Education
NC State College of Management Staff: Carolyn Smith, Vicki Spake and
David Strickland