MARIA DOLORES PALACIOS

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EDUCATION

Ph.D., Economics, Boston University, Boston MA, May 2018 (expected)
Dissertation Title: *Incentives, selection, prices and compensation*
Dissertation Committee: Kevin Lang, Marc Rysman, Andrew F. Newman

M.A., Political Economy, Boston University, Boston MA, 2014

B.A., Economics *(GPA 97/100)*, Universidad Iberoamericana,
Mexico D.F., 2009

FIELDS OF INTEREST

Labor Economics, Industrial Organization, Organizational Economics

WORKING PAPERS

"Price Setting and Multitasking by Sales Agents: Evidence from a Contract Change,"
(job market paper), October 2017.
"The Determinants of Teachers' Occupational Choice," (with Kevin Lang), October 2017.

WORK IN PROGRESS

"Price Discrimination and Incentives"
"Innovation and Jobs in U.S. Manufacturing Firms" (with Jordi Jaumandreu)

CONFERENCES AND PRESENTATIONS

The Northeast Universities Development Consortium (NEUDC) Conference, Medford MA
2017 (scheduled)
15th Annual International Industrial Organization Conference, Boston MA 2017
Cowles Foundation Conference on Structural Microeconomics, New Haven CT 2017 (paper
presented by coauthor)
The 3rd Annual Empirical Microeconomics Workshop, Banff Alberta Canada 2016 (poster)
Empirical Analysis of Markets with Asymmetric Information, Summer School organized by
the University of Mannheim, Germany 2015

HONORS AND AWARDS

Invited to participate in the 6th Lindau Meeting on Economic Sciences, Lindau Germany 2017
Best Second Year Paper prize, Boston University, 2014
Summer Research Grant, Boston University, 2014

WORK EXPERIENCE

ACADEMIC

Research Assistant for Professor Kevin Lang, Department of Economics,
Boston University, 2015-Present

Research Assistant for Professor Patricia Cortes, Questrom School of Business,
Boston University, Spring 2015

Research Assistant for Professor Ivan Fernandez-Val, Department of Economics,
Boston University, Spring 2014

Research Assistant for Professor Julia Hirsch, Department of Economics,
Universidad Iberoamericana, Mexico, Fall 2008

NON-ACADEMIC

Research Analyst for Dr. Guillermo Ortiz, Grupo Financiero Banorte, Mexico,
April 2010-May 2012

Public Finances Analyst, Evercore Partners, Mexico, April 2009-April 2010

REFEREE EXPERIENCE

The Journal of Labor Economics

TEACHING EXPERIENCE

Teaching Assistant, Introduction to Macroeconomics, Department of Economics,
Boston University, Fall 2013, Spring and Fall 2014

Teaching Assistant, Intermediate Microeconomics, Department of Economics,
Universidad Iberoamericana, Fall 2006 and Spring 2007

Teaching Assistant, Introduction to Macroeconomics, Department of Economics,
Universidad Iberoamericana, Fall 2006 and Spring 2007

LANGUAGES

Fluent in English, Spanish and French. Basic Italian

COMPUTER SKILLS

STATA, MATLAB, Parallel Computing, LaTeX

CITIZENSHIP/VISA STATUS

Mexican and Spanish/U.S. Permanent Resident

REFERENCES

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MARIA DOLORES PALACIOS

Price Setting and Multitasking by Sales Agents: Evidence from a Contract Change
(Job Market Paper)

I study price setting behavior by sales agents of an electrical wholesale company following the change of their compensation contract. Originally, agents received a fixed share of the revenues from their sales. Under the new scheme, agent's commission rates increase with the price-cost margin of the sale. This contract creates a multitasking conflict among products historically sold with different margins. Employees of the firm decide how much effort to allocate to the sale each good and can modify prices by offering discounts. A simple multitasking principal-agent model predicts that, even when incentives increase for all products, if efforts across goods are substitutes for the agent, the new scheme will increase price and effort of the more-compensated goods at the expense of price and effort of the less-compensated goods. The reform was enacted at different times in different stores, enabling measurement of its impact by difference-in-differences. Commissions on 95% of goods increase but workers do not raise prices on all these products. Despite the stronger financial incentives, the price of 18% of goods decreases, suggesting workers reallocate effort among products.

The Determinants of Teachers' Occupational Choice
(with Kevin Lang)

Among college graduates, teachers have both low average Armed Forces Qualification Test score (AFQT) and high average risk aversion. Using a dynamic optimization model with unobserved heterogeneity, we find that the low mean AFQT score among teachers primarily reflects a low return to other skills, correlated with AFQT, rather than a low return to cognitive skill within teaching. The compression of earnings within teaching attracts relatively risk-averse individuals. Were it possible to make teacher compensation mimic the return to skills and riskiness of the non-teaching sector, overall compensation in teaching would increase. Moreover, such a shift would substantially reduce the utility of many current teachers, making the process of reform challenging. Importantly, our conclusions are sensitive to the degree of heterogeneity for which we allow, and even a model with no unobserved heterogeneity appears to fit well within sample. It would be easy to conclude that allowing for two or three types fits the data adequately. Formal methods reject this conclusion. The Bayesian Information Criterion (BIC) favors seven types. Ranking models using cross-validation, eight types is better although the improvements from going from six to seven and from seven to eight types, the most we have been able to include in the model so far, are noticeably smaller than those from adding an additional type to a lower base. Importantly, the results of policy exercises are very sensitive to the degree of heterogeneity included in the model.

October 2017