

Student Research Day Paper Results in an Academic Journal Publication



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I have had the pleasure of being a student at California State University Dominguez Hills, under the mentorship of Dr. Rama Malladi. As a recent graduate (Fall 2020) and proud Toro, I cannot overemphasize the positive impact Professor Malladi has had on my academic experience and career path.

My journey as a researcher started in 2019, Professor Malladi and I had discussed the possibility of collaborating on a research paper together. Initially, we decided to explore the role of luck versus skill using a novel form of statistical analysis in hedge fund performance.

Unfortunately, our methodology would fail to yield any meaningful results. During one of our finance classes, the topic of the gender pay gap arose, and a lively discussion followed. This event would inspire Professor Malladi and I

to examine a highly visible and hotly debated issue.

After several revisions and iterations, our research was recently published in the prestigious *Business Economics* journal, a Palgrave Macmillan publication. Publishing as an undergraduate student in the finance discipline is very hard. Only one in a hundred or a thousand may have a peer-reviewed academic journal publication while in the undergraduate program.

This is a testament to his wisdom, mentorship, and teaching ability. Professor Malladi is an excellent judge of a student's ability and potential and has always motivated me to be the best student and person that I can be.

Professor Malladi encouraged me to hone my programming skills for data analysis and other practical applications. He would challenge me to solve real world problems using programming to sharpen my skill set as a potential applicant in the industry. This culminated in having expert level programming skills in the R programming language, which led to my inclusion as a data analyst for CSUDH's President's Challenge. The research was focused on Understanding and Building Academic Resilience, Community and Retention at CSUDH, with a subsequent research paper currently in submission.

I have worked in the financial services industry for the last year, and plan to continue my journey as a researcher and finance associate. I would like to further my education by pursuing a master's degree in financial engineering and eventually teach at California State Universities. My advice to future researchers and Toros is to constantly challenge yourself, live outside of your comfort zone, and know that you can turn your dreams into your reality.

Joshua Mean is a role model for students at CBAPP and CSUDH. Thanks to Student Research Day, a research paper co-authored by Josh and me is now published by the "Business Economics" journal, a Palgrave Macmillan publication. The publication can be accessed at <https://rdcu.be/ceo5k>

The paper titled "Is it a gender representation issue or a gender pay gap issue? A study of the replaced executives in the U.S." was a finalist in 2020 CBAPP research day, South Bay economic forecast, and got selected for presentation in 2020 Western Decision Science Annual event in Portland.

The gender pay gap is one of the central themes of inequality in the workplace and remains at the heart of the political and social debate. Almost all prior executive pay studies focus on a geographic region or industry to uncover gender pay differences. Since firms differ in size and industry, previous studies used diverse conditional variables to deal with the heterogeneity issues. We use a new approach, executive replacement, to analyze the gender pay gap.

Since we study the pay gap in the same firm, most heterogeneity issues disappear. We examine if the gender pay gap exists at the executive level when someone from the opposite sex replaces an executive. We use a large sample of 4,532 publicly traded firms and 302,729 annual pay observations spanning over 25 years (1992 to 2019).

We find that a significant difference in total compensation for female CEOs (compared to male CEOs) does not exist at the aggregate level. Our results indicate that the difference in compensation is not as concerning as the representation of female executives. Female executives face a representation problem, not a compensation discrimination problem. Female CEOs are significantly underrepresented, making up only 6.1% of the CEO and 12.7% of the CFO population at the end of 2019. It appears that significantly few female executives break through the glass ceiling. Nevertheless, once they break that ceiling, they are modestly better-compensated than men.

I am very proud to have published a paper with an undergraduate student who has excelled through our CBAPP/CSUDH education and student research day opportunity. This paper has also been selected as a finalist in the 2019 South Bay Economic Forecast, 2020 Western Decision Sciences Annual Conference - Portland, and received compliments from researchers who study gender equity topics.

I am used to receiving many negative comments/feedback from journal reviewers. So, I was particularly impressed when the journal editor said, "We are very pleased to be publishing this excellent paper - thank you for submitting it to Business Economics." Besides, the journal editor helped us by working with the publisher, Springer, to make the manuscript openly available at <https://rdcu.be/ceo5k>.

Thank you again for creating a wonderful platform of the Student Research Conference that motivated us to work on this project.



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