

# SERBAN RANCA

## ADDRESS:

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## RESEARCH FIELDS:

Applied Microeconomic Theory, Industrial Organization, Psychology and Economics,  
Game Theory (primary), Health Economics (secondary)

## EDUCATION

Ph.D. in Economics	University of North Carolina, Chapel Hill	December 2009 (expected) Final Defense passed August 2009
M.S. in Economics	Louisiana State University, Baton Rouge	May 2004
B.S. in Economics (with honors, 9.2/10)	Academy of Economic Studies, Bucharest	September 2002

## DISSERTATION:

**“Managerial Workaholism, Incentives and Competition” (Advisor Professor Sérgio O. Parreiras)**

## DISSERTATION RESEARCH (please refer to page 4 for abstracts)

“Workaholism and Managerial Incentives ” (Job Market Paper) September 2009

“Managerial Workaholism and Competitive Markets” August 2009

## WORKING PAPERS

“Open Source Financing Schemes with Cross-Market Network Effects” August 2008

“Bilateral Oligopolies and Exclusivity in Two Sided Network Markets” July 2008

# SERBAN RANCA

## RESEARCH PRESENTATIONS

University of North Carolina, Microeconomic Theory Seminar	2007-2009
Center of Study of the American South, University of North Carolina	August 2006
Southern Economic Association 74 <sup>th</sup> Annual Meetings	November 2004

## RESEARCH EXPERIENCE

Research Assistant, ITS (Information Technology Services), Research Computing Division UNC-Chapel Hill	March 2005- December 2006
Research Assistant, Professor David Brasington, Louisiana State University Economics Department	Spring 2003
Research Assistant, Professors David Brasington and Douglas Schwalm, Louisiana State University, Economics Department	Fall 2002
Research Internship, National Bank of Romania, European Integration Division	March-May 2002

## TEACHING EXPERIENCE

### *Independent Instructor*

Intermediate Microeconomics (45-50 students/ class)	Fall 2007, Spring 2008, 2009
Principles of Economics (both Microeconomics and Macroeconomics) (25-35 students/class)	Summer 2007, Summer 2008
<i>Mentor guiding undergraduate students' research*</i> <i>(supported by a grant through the UNC Office of Undergraduate Research)</i>	Spring 2006, Spring 2008

Mark Engelen (a senior I mentored) wrote an UNC honor thesis  
on "A Semiparametric Study on the Markup on Gasoline in the United States"

*Teacher Training Program Certificate*, UNC Economics Department

Fall 2005, Spring 2006

### *Teaching Assistant*

Principles of Economics (Microeconomics and Macroeconomics)	Fall 2004, 2006, Spring 2005 Spring 2007
Intermediate Macroeconomics	Fall 2007

# SERBAN RANCA

## GRANTS AND AWARDS

University of North Carolina Economics Teaching Scholarship	2007-2009
University of North Carolina Graduate School Tuition Scholarship	2004-2009
University of North Carolina Summer Research Grant, Center of Study for the American South	2005
University of North Carolina Research Conference Travel Grant	2004
Louisiana State University Graduate School Supplement Award	2002-2004
Louisiana State University Research Assistantship	2002-2004
“Economics Student of the Year in Romania”, Top 10 National Finalist	2002

## PROFESSIONAL AFFILIATIONS

American Economic Association

Omicron Delta Epsilon

## REFERENCES

### **Sérgio O. Parreiras (Advisor)**

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# SERBAN RANCA

## Dissertation Synopsis

### 1. "Workaholism and Managerial Incentives" (Job Market Paper, 2009)

I examine the implications for the firm and for individuals of managerial workaholism in the case of a monopoly. There are two types of managers, workaholic and normal. In the static game, when the principal is a profit maximizing firm, the workaholic is assigned more office time than the normal and spends the entire vacation time working. On average the workaholic is paid less than the normal. The firm either hires both types of managers or, if the reservation utility is large enough, only the workaholic. A firm in a society with a higher probability of workaholism has a bigger expected profit than a firm in a lower probability of workaholism society. A workaholic in a society with a larger probability of workaholism is worse off relative to one in a lower probability of workaholism society while a normal has the same utility in either society. In case the principal is a social planner, both a workaholic and a normal in a higher probability of workaholism society are strictly worse off than their correspondents in a society with a lower probability of workaholism. In the dynamic game, the optimal incentive compatible contract can be either separating or pooling in the first period depending on the discount factor. With separation, compared to the static contract, in the second period both types of managers are paid less and the normal manager works more while the workaholic puts the same hours worked. In the first period, the workaholic is paid more than with the static contract and the hours worked are the same while the normal manager is assigned fewer hours worked and paid less. With pooling, the second period's contract is similar to the static one. In the first period the workaholic manager is assigned less office time than with the static contract. Moreover, compared to the separating contract, the workaholic gets paid less and puts the same hours worked while the normal manager gets paid more and is assigned more office time.

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## 2. "Managerial Workaholism and Competitive Markets" (2009)

I analyze managerial workaholism under competition a la Rothschild and Stiglitz [1976]. There exist separating Nash equilibria where either both types of managers participate, or, if the reservation utility is large enough, only workaholics participate. Firms make zero expected profit from either type of manager. The workaholics are assigned no vacation time by firms and put more effective hours worked, produce more output and are overall paid more. There exists no pooling Nash equilibrium due to "cream skimming" (Rothschild and Stiglitz [1976]). There are two types of Wilson equilibria: the separating one above and the zero expected profit incentive compatible pooling contract most preferred by the normals. The pooling equilibrium's transfer is in between the separating transfers of the two types and the pooling equilibrium vacation time is the same as the separating vacation time of the normals. There exists only a Riley (reactive) equilibrium identical to the separating equilibrium described above.