MIT Economics

ROI ORZACH

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DOCTORAL STUDIES

Massachusetts Institute of Technology (MIT)
PhD, Economics, Expected completion June 2025
DISSERTATION: "*Group Decision-Making*"

DISSERTATION COMMITTEE AND REFERENCES

Professor Glenn Ellison
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Professor Alessandro Bonatti
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PRIOR EDUCATION

University of Michigan — 2019
Bachelors in science in Honors Economics and Honors Mathematics with Highest Distinction

CITIZENSHIP USA and Israel **GENDER:** Male

LANGUAGES English and Hebrew

FIELDS Primary Fields: Microeconomic Theory

Secondary Fields: Organizational Economics

TEACHING EXPERIENCE

Game Theory for Strategic Advantage (EMBA)	2022, 2023
Teaching Assistant to Alessandro Bonatti	
Course evaluations: 6.21/7, 6.59/7	
Managing the Modern Organization (MBA)	2022, 2023
Teaching Assistant to Charles Angelucci	
Course evaluations: 6.5/7, 6.1/7	
Industrial Organization (PhD)	2021, 2022
Teaching Assistant to Glenn Ellison	
Course evaluations: 6.9/7, 7/7	
Market Design (PhD)	2021
Teaching Assistant to Parag Pathak	
Course evaluations: 7/7	
Organizational Economics (PhD)	2022, 2023
Teaching Assistant to Robert Gibbons	
Course evaluations: 6.0/7,7/7	
Organizational Economics (Undergraduate)	2023
Teaching Assistant to Robert Gibbons	
Course evaluations: 6.8/7	

RELEVANT POSITIONS

Research Assistant to Alessandro Bonatti, Glenn Ellison, Robert Gibbons, and Tobias Salz

FELLOWSHIPS, HONORS, AND AWARDS

MIT Presidential Graduate Student Fellowship 2019-2020
Ferrando Prize for best Economics Thesis 2019

PROFESSIONAL ACTIVITIES

Presented at 2024 Stony Brook Game Theory Conference and 2024 North American Summer Meeting of Econometric Society.

PUBLICATIONS

"Who vs When: Designing Decision Processes in Organizations," ***International Journal of Industrial Organization*****, 2024**

"A Corrigendum on `Multiproduct Equilibrium Price Dispersion'," ***Journal of Economic Theory,*** **2022.**

"Strong Matching Preclusion of Joint Pancake Graphs," ***(with Eddie Cheng, Justin Kelm, and Brian Xu), International Journal of Parallel, Emergent and Distributed Systems,*** **2015.**

RESEARCH PAPERS

"Conformity Concerns: A Dynamic Perspective" (Job Market Paper)

In many settings, individuals imitate their peers' public decisions for two distinct reasons: to adapt to a common fundamental state, and to conform to their peers' preferences. In this model, the fundamental state and peers'

preferences are unknown, and the players learn these random variables by observing others' decisions. With each additional decision, the public beliefs about these unknowns become more precise. I show that this increased precision endogenously increases the desire to conform, resulting in decisions that are uninformative of a player's preferences or perceptions of the fundamental state. When this occurs, social learning about peers' preferences and fundamentals fails, resulting in inefficient decisions. In line with social psychology findings, I show that between these two misperceptions, correcting the misperceptions of peers' preferences may lead to more efficient decision-making.

"Multi-Project Collaborations" (with Charles Angelucci), Submitted

We analyze collaborative experimentation across multiple independent domains. Each domain contains infinitely many potential projects with asymmetric benefits. In each period and domain, two players can idle, jointly explore a new project, or jointly exploit a known one, with voluntary transfers. For intermediate discount factors, treating domains as independent during experimentation is suboptimal. The optimal experimentation policy for two domains exhibits common features of collaborative experimentation: lengthy exploration, gradual scope expansion, permanently bounded scope, intermittent domain exploration, and project revival. We connect these findings to research on buyer-supplier dynamics and persistent productivity differences.

"Job Scope and Motivation under Informal Incentives" (Short paper with Charles Angelucci), Submitted

We model the relationship between the number of tasks assigned to an employee and a firm's ability to motivate effort through informal performance-based bonuses. We show that assigning multiple tasks gives the firm a greater range of performance levels that can be rewarded. The firm takes advantage of this by designing equally motivating, flatter, and hence more credible incentives.

"Managerial Intervention, Employee Motivation, and Collaboration" (with Kramer Quist)

The economic literature on delegation focuses on the demotivational effects of managerial intervention. However, many managers motivate employees while proactively intervening in the decision-making process. We build a principal-agent model to analyze when managerial intervention is, and is not, motivational to the agent. While managerial intervention may demotivate the agent by tempting the principal to take actions that waste employee effort, managerial intervention can also motivate the agent by incentivizing principal effort that complements the agent's effort. That is, delegation may demotivate the agent when the principal and agent work collaboratively. Our results speak

to understanding the role of strategic complementarity in determining when various managerial practices do, and do not, motivate employees.

"Market Power Spillovers Across Airline Routes" (with Rebekah Dix)

Airlines operate complicated flight networks, often utilizing hub-and-spoke systems to efficiently route connecting travelers and optimize costs. Despite the prevalence of connecting travelers—accounting for approximately one-third of passenger itineraries—most analyses of the welfare effects of changes in competition focus on nonstop routes. We show that when firms face capacity constraints or adjustment costs, a price decrease on a direct route may incentivize firms to decrease prices on indirect routes using this route as a leg. We document that this pass-through is positive using the price effects of low-cost carrier entry and airline mergers: connecting fares decrease after low-cost carrier entry on one of the legs and increase after a merger of carriers that competed on one of the legs. Our findings demonstrate that ignoring these network effects leads to significantly underestimating changes in consumer surplus—by up to 115%—in response to changes in competition. Thus, considering full airline networks is essential to accurately estimating the impact of changes in competition on consumers.

RESEARCH IN PROGRESS

"Self-Censoring Hard Information"

Despite their potential to enhance decision-making, many facts remain unspoken. In the model, an agent receives verifiable information and decides to share or conceal such information when advising a principal on aligning her decision with an unknown state. Compared to the principal, the agent is either biased toward high decisions or has the same ideal decision as the principal. Further, all agents aim to build a reputation for being unbiased. I first provide a baseline result, whereby the unbiased agent does not self-censor in equilibrium. I then provide simple extensions showcasing how self-censorship arises in equilibrium. First, whenever the unbiased agent values his reputation, if the unbiased agent is conjectured to not reveal high signals, his best reply is to self-censor. Additionally, if the agents can engage in influence activity, then an unbiased agent has an incentive to distort his signal downwards to separate from the biased agent.