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Chapter 17.2

# The impact on service quality

# Outline


- Problem and model assumptions
- Ability in incorporated investment banks
- Ability in partnerships
- Comparing skills of employees
- Attractiveness of partnerships
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- This requires $p \leq \hat{\hat{p}} = \frac{P^{**} - P^{*}}{F(V^{**})(P^{**} - V^{**}) - F(V^{*})(P^{*} - V^{*})}$
- If the ability of investment bankers is difficult to assess, partnerships are more profitable

# Partnerships are more profitable

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- This requires $p \leq \hat{\hat{p}} = \frac{P^{**} - P^{*}}{F(V^{**})(P^{**} - V^{**}) - F(V^{*})(P^{*} - V^{*})}$
- If the ability of investment bankers is difficult to assess, partnerships are more profitable

- Problem and model assumptions
- Ability in incorporated investment banks
- Ability in partnerships
- Comparing skills of employees
- Attractiveness of partnerships
- Summary

# Benefits of partnerships

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