Managers’ gender attitudes and the gender gap

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Can managers affect gender inequality?

Despite convergence in employment and earnings, women are still confronted with unequal economic opportunities.

Gender gaps in wages persist (Blau and Kahn 2017; Goldin 2014; Bertrand 2018).

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Have poorer chances to show they can be successful (Sarsons 2017).

Focus on managers: have discretion over hiring, retention, and promotion of their employees.

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Proxy for gender attitudes: child’s gender

**Approach:** proxy for managers’ gender attitudes using *child’s gender*
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"it’s also about whether our daughters have the same chances to pursue their dreams as our sons. And that’s **personal** for me. I’ve got two **daughters** and I expect them to be treated just like anybody’s sons."
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Test if establishments where male managers parent daughters are characterised by better career’s trajectories for female employees
Methodology and data

Compare female relative earnings and employment in firms where managers father an extra daughter, as opposed to extra son.
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   - Two **single-manager** firms: both managers experience a birth
   - One manager experience birth of a daughter the other one of a son
   - Relative daughter effect is identified by comparing **within-firm** changes in female outcomes across the two firms
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3. We overcome limitations of cross-sectional studies related to **endogenous sorting** of managers
1. Birth of extra daughter ↑ female relative earnings and employment
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★ (i) F earnings ratio $\uparrow$ 4%; (ii) % F employment $\uparrow$ 3%
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2. Personnel policies put in place

- Employment: Higher propensity to hire female (F) workers
  ⇒ Almost 1 in every 2 managers hire an extra F by the end of job spell

- Earnings: Increase in % of female workers in high-remuneration categories
  ⇒ New female workers are more likely to be full-time, top-earners, educated
  ⇒ No effect on female part-time workers with young children: inconsistent with implementation of HR policies favoring family-work balance

- Average characteristics of workforce unaffected

- Substitution of male (M) potential hires with female having same attributes

- No effect on firm performance

- Positive but imprecise estimates of labor costs and value added (VA) per employee
  No equity-efficiency trade-off
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4. Link between fathering a daughter and men’s gender attitudes

- Discontinuous change in managers’ preferences:
  - Effects appear right after birth
  - Additional daughters after the first have no effect

- Gradual change in managers’ beliefs:
  - Information asymmetry about gender differences in unobservable characteristics and LM barriers
  - Effects increase as D gains experiences internalized by the father
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![Female Earnings Ratio](chart.png)

- D (0-5)
- D (6-15)
- D (16-21)
- D (22+)

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Maddalena Ronchi (QMUL)
Thank you!

Happy to discuss further:

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