

Managers' gender attitudes and the gender gap

Maddalena Ronchi¹ Nina Smith²

¹Queen Mary University of London

²Aarhus University

Workplace and Management Practices 2020

Cedefop, Eurofound and IZA

Can managers affect gender inequality?

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

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)
- Women are **promoted** at lower rates than male counterparts (Azmat and Ferrer 2017; Blau and Devaro 2007; Blau and Kahn 2017)
- Have poorer **chances** to show they can be successful (Sarsons 2017)

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)
- Women are **promoted** at lower rates than male counterparts (Azmat and Ferrer 2017; Blau and Devaro 2007; Blau and Kahn 2017)
- Have poorer **chances** to show they can be successful (Sarsons 2017)

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

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)
- Women are **promoted** at lower rates than male counterparts (Azmat and Ferrer 2017; Blau and Devaro 2007; Blau and Kahn 2017)
- Have poorer **chances** to show they can be successful (Sarsons 2017)

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

Do managers' gender attitudes shape gender-gaps within firms?

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)
- Women are **promoted** at lower rates than male counterparts (Azmat and Ferrer 2017; Blau and Devaro 2007; Blau and Kahn 2017)
- Have poorer **chances** to show they can be successful (Sarsons 2017)

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

Do managers' gender attitudes shape gender-gaps within firms?

- ▶ The way in which managers evaluate employees and take HR decisions can be influenced by their **gender attitudes**
- ▶ This can ultimately affect **gender gaps in career trajectories**

Proxy for gender attitudes: child's gender

Approach: proxy for managers' gender attitudes using **child's gender**

Proxy for gender attitudes: child's gender

Approach: proxy for managers' gender attitudes using **child's gender**

- Child's gender influence parental values and behavior \Rightarrow Positive association between having **daughters** and attitudes towards **women**

Proxy for gender attitudes: child's gender

Approach: proxy for managers' gender attitudes using **child's gender**

- Child's gender influence parental values and behavior ⇒ Positive association between having **daughters** and attitudes towards **women**
- Results particularly strong for **fathers**: gender equality as a personal issue ⇒ Remarks by Obama on Equal Pay for Equal Work, 2014

Proxy for gender attitudes: child's gender

Approach: proxy for managers' gender attitudes using **child's gender**

- Child's gender influence parental values and behavior ⇒ Positive association between having **daughters** and attitudes towards **women**
- Results particularly strong for **fathers**: gender equality as a personal issue ⇒ Remarks by Obama on Equal Pay for Equal Work, 2014

"Equal pay is not just an economic issue [...]"

*"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."*

Gender equality
as a relevant &
personal issue

Proxy for gender attitudes: child's gender

Approach: proxy for managers' gender attitudes using **child's gender**

- Child's gender influence parental values and behavior ⇒ Positive association between having **daughters** and attitudes towards **women**
- Results particularly strong for **fathers**: gender equality as a personal issue ⇒ Remarks by Obama on Equal Pay for Equal Work, 2014

"Equal pay is not just an economic issue [...]"

*"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."*

Gender equality
as a relevant &
personal issue

*"And I'm going **to do my small part** right now by signing this executive order and presidential memoranda."*

Take actions to
address the issue

Proxy for gender attitudes: child's gender

Approach: proxy for managers' gender attitudes using **child's gender**

- Child's gender influence parental values and behavior ⇒ Positive association between having **daughters** and attitudes towards **women**
- Results particularly strong for **fathers**: gender equality as a personal issue ⇒ Remarks by Obama on Equal Pay for Equal Work, 2014

"Equal pay is not just an economic issue [...]"

*"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."*

Gender equality as a relevant & personal issue

*"And I'm going **to do my small part** right now by signing this executive order and presidential memoranda."*

Take actions to address the issue

➔ 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

Methodology and data

Compare female relative earnings and employment in firms where managers father an extra daughter, as opposed to extra son

1. **Danish registry data** allows to connect employer-employee info on the population of firms to longitudinal info on family composition

Methodology and data

Compare female relative earnings and employment in firms where managers father an extra daughter, as opposed to extra son

1. **Danish registry data** allows to connect employer-employee info on the population of firms to longitudinal info on family composition
2. We rely **births events** for identification and exploit the natural experiment resulting from exogeneity of child's gender

Methodology and data

Compare female relative earnings and employment in firms where managers father an extra daughter, as opposed to extra son

1. **Danish registry data** allows to connect employer-employee info on the population of firms to longitudinal info on family composition
2. We rely **births events** for identification and exploit the natural experiment resulting from exogeneity of child's gender
 - ▶ 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

Methodology and data

Compare female relative earnings and employment in firms where managers father an extra daughter, as opposed to extra son

1. **Danish registry data** allows to connect employer-employee info on the population of firms to longitudinal info on family composition
2. We rely **births events** for identification and exploit the natural experiment resulting from exogeneity of child's gender
 - ▶ 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
3. We overcome limitations of cross-sectional studies related to **endogenous sorting** of managers

1. Birth of extra daughter \uparrow female relative earnings and employment

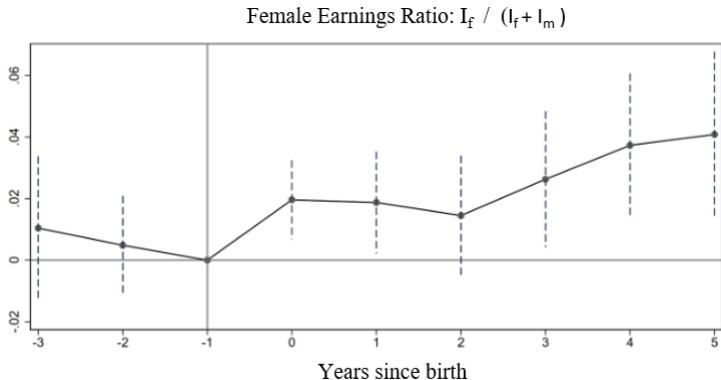
1. Birth of extra daughter \uparrow female relative earnings and employment

- ★ Driven by birth of manager's 1st daughter

- ★ (i) F earnings ratio \uparrow 4%; (ii) % F employment \uparrow 3%

1. Birth of extra daughter \uparrow female relative earnings and employment

- ★ Driven by birth of manager's 1st daughter
- ★ (i) F earnings ratio \uparrow 4%; (ii) % F employment \uparrow 3%



2. Personnel policies put in place

2. Personnel policies put in place

★ ↑ **Employment**: Higher propensity to hire F workers

⇒ Almost 1 in every 2 managers hire an extra F by the end of job spell

2. Personnel policies put in place

- ★ ↑ **Employment**: Higher propensity to hire F workers
⇒ Almost 1 in every 2 managers hire an extra F by the end of job spell
- ★ ↑ **Earnings**: increase in %F workers in high-remuneration categories
⇒ new F more likely to be full-time, top-earners, educated
⇒ no effect on F part-time, with young children: inconsistent with implementation of HR policies favoring family-work balance

2. Personnel policies put in place

- ★ ↑ **Employment**: Higher propensity to hire F workers
⇒ Almost 1 in every 2 managers hire an extra F by the end of job spell
- ★ ↑ **Earnings**: increase in %F workers in high-remuneration categories
⇒ new F more likely to be full-time, top-earners, educated
⇒ no effect on F part-time, with young children: inconsistent with implementation of HR policies favoring family-work balance
- ★ Average characteristics of workforce unaffected

2. Personnel policies put in place

- ★ ↑ **Employment**: Higher propensity to hire F workers
⇒ Almost 1 in every 2 managers hire an extra F by the end of job spell
- ★ ↑ **Earnings**: increase in %F workers in high-remuneration categories
⇒ new F more likely to be full-time, top-earners, educated
⇒ no effect on F part-time, with young children: inconsistent with implementation of HR policies favoring family-work balance
- ★ Average characteristics of workforce unaffected

➡ **Substitution** of M potential hires with F having same attributes

2. Personnel policies put in place

- ★ ↑ **Employment**: Higher propensity to hire F workers
⇒ Almost 1 in every 2 managers hire an extra F by the end of job spell
- ★ ↑ **Earnings**: increase in %F workers in high-remuneration categories
⇒ new F more likely to be full-time, top-earners, educated
⇒ no effect on F part-time, with young children: inconsistent with implementation of HR policies favoring family-work balance
- ★ Average characteristics of workforce unaffected
- ➡ **Substitution** of M potential hires with F having same attributes

3. No effect on firm performance

- ★ Positive but imprecise estimates of labor costs and VA per employee
- ➡ No **equity-efficiency** trade-off

4. Link between fathering a daughter and men's gender attitudes

4. Link between fathering a daughter and men's gender attitudes

- ★ Discontinuous change in managers' **preferences** towards women

- ★ Gradual change in managers' **beliefs**: ↓ info asymmetry about gender differences in unobservable characteristics and LM barriers

4. Link between fathering a daughter and men's gender attitudes

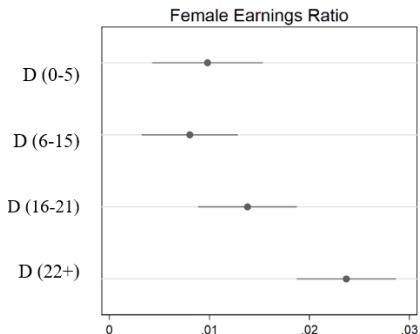
- ★ Discontinuous change in managers' **preferences** towards women
 - ⇒ Effects appear right after birth ✓
 - ⇒ Additional daughters after the first have no effect ✓
- ★ Gradual change in managers' **beliefs**: ↓ info asymmetry about gender differences in unobservable characteristics and LM barriers

4. Link between fathering a daughter and men's gender attitudes

- ★ Discontinuous change in managers' **preferences** towards women
 - ⇒ Effects appear right after birth ✓
 - ⇒ Additional daughters after the first have no effect ✓
- ★ Gradual change in managers' **beliefs**: ↓ info asymmetry about gender differences in unobservable characteristics and LM barriers
 - ⇒ Effects increase as D gains experiences internalized by the father

4. Link between fathering a daughter and men's gender attitudes

- ★ Discontinuous change in managers' **preferences** towards women
 - ⇒ Effects appear right after birth ✓
 - ⇒ Additional daughters after the first have no effect ✓
- ★ Gradual change in managers' **beliefs**: ↓ info asymmetry about gender differences in unobservable characteristics and LM barriers
 - ⇒ Effects increase as D gains experiences internalized by the father



Thank you!

Happy to discuss further:

- ▶ Email: m.ronchi@qmul.ac.uk
- ▶ Website: <https://maddalenaronchi.weebly.com/>
- ▶ Twitter: @MaddalenaRonchi