



**University of
Zurich^{UZH}**

Department of Economics

Behavioral economics, biases and discrimination in organizations

Roberto Weber

June 2018, LERU Conference



How I ended up here . . .

Behavioral economics can tell us a lot about beliefs, biases and discrimination

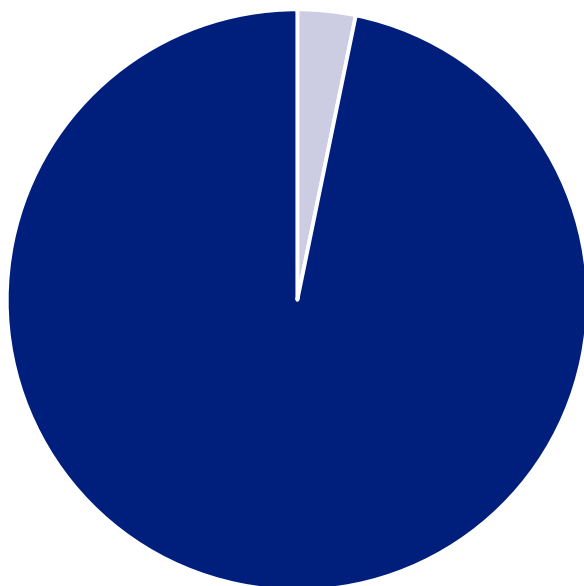
- “Exploiting moral wiggle room: Experiments demonstrating an illusory preference for fairness” (with Jason Dana and Jason Xi Kuang, *Economic Theory* 2007)
- ”Self-interest through delegation: An alternative rationale for the principal-agent relationship” (with John Hamman and George Loewenstein, *American Economic Review* 2010)
- “Motivated Bayesians: Feeling moral while acting egoistically” (with Francesca Gino and Michael Norton, *Journal of Economic Perspectives* 2016)



How I (really) ended up here . . .

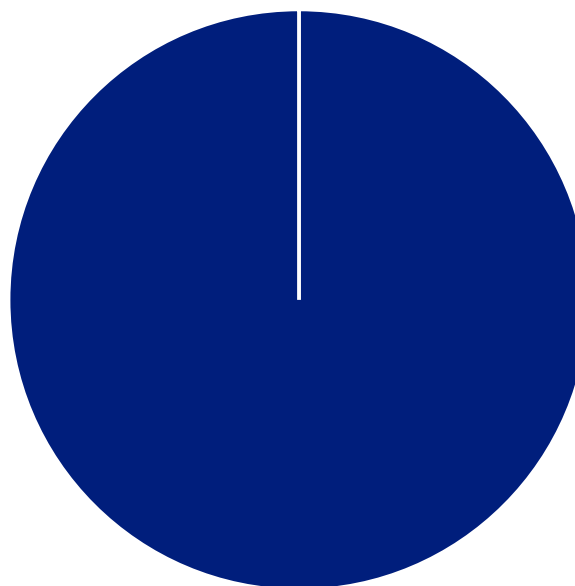
Department of Economics. University of Zurich. 2017.

Share of faculty



■ Female ■ Male

Share of tenured faculty



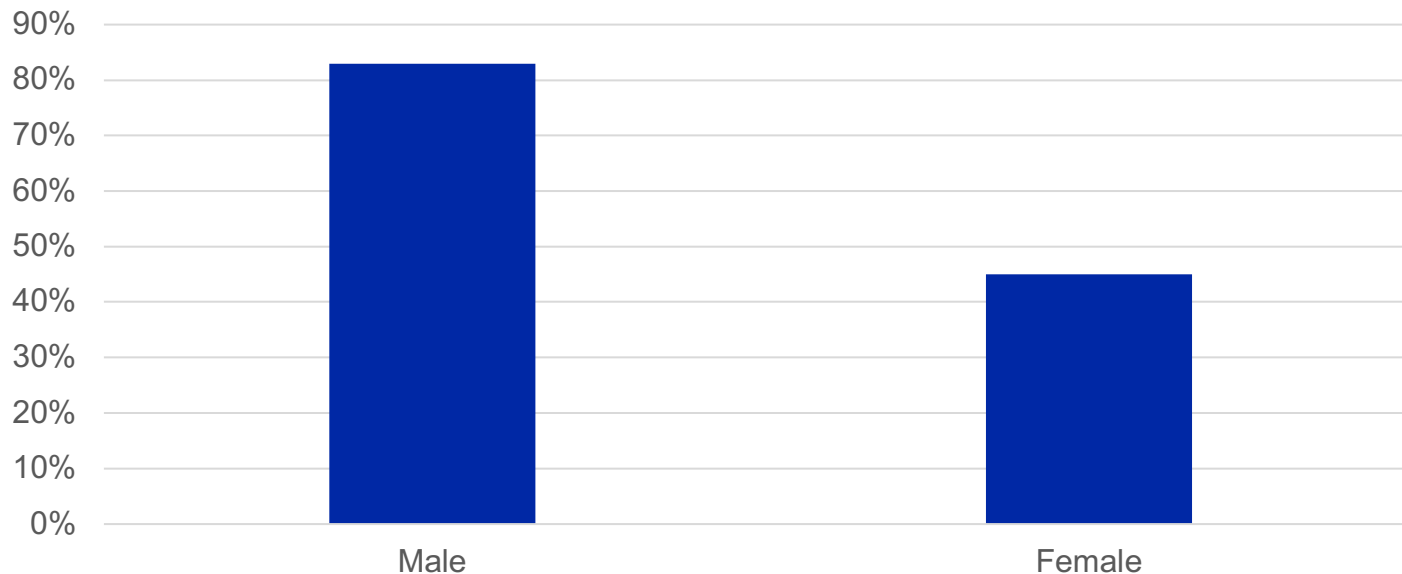
■ Female ■ Male



Starting an academic career . . .

Doctoral student (1994 – 1999), Division of Humanities and Social Sciences, California Institute of Technology

Percentage of incoming PhD students graduating into full-time academic employment



1994 – 1996 PhD cohorts (based on personal recollection and data available on-line)



Starting an academic career . . .

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How to succeed in graduate school: *play softball*

Social ties can play a critical role in career advancement

- Granovetter, M. (1974). *Getting a Job: A Study of Contacts and Careers*.
- Bandiera, O., I. Barankay, I. Rasul. (2009). “Social Connections and Incentives in the Workplace: Evidence From Personnel Data.” *Econometrica*.
- Beaman, L., J. Magruder. (2012). “Who Gets the Job Referral? Evidence from a Social Networks Experiment.” *American Economic Review*.



Obtaining academic promotions . . .

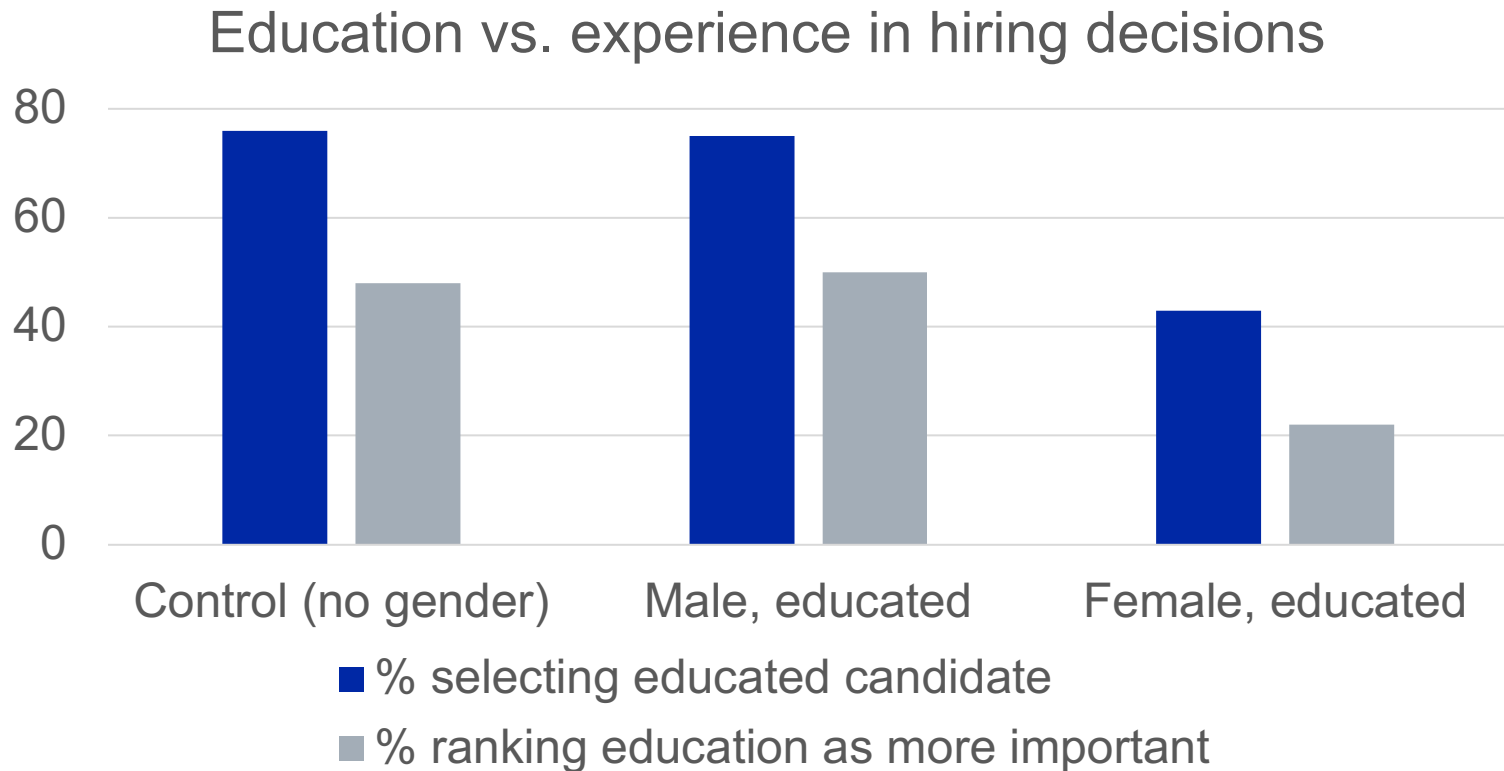
Assistant Professor (1999 – 2008), Associate Professor (2008 – 2010), Professor (2010 – 2011); Department of Social and Decision Sciences, Carnegie Mellon University

“contributions . . . to the excellence of the university, the advancement of the candidate's academic field . . .”

“. . . both in Teaching and Other Educational Activities and in Research, Scholarly or Artistic Activities . . .”



Weighing competing criteria



Norton, M. I., J. A. Vandello, J. M. Darley. (2004). "Casuistry and social categorization bias." *Journal of Personality and Social Psychology*.



Obtaining academic promotions . . .

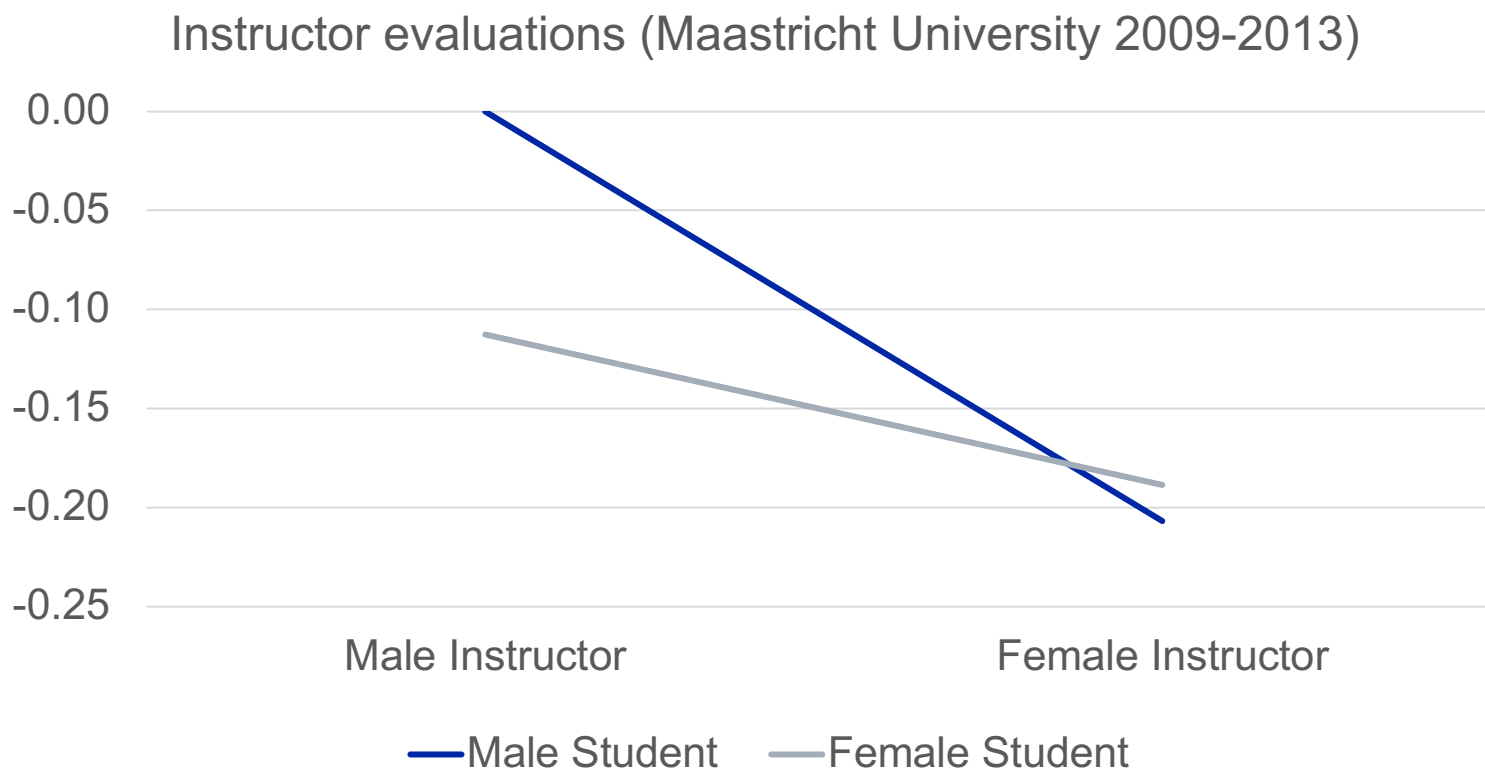
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*“. . . both in **Teaching and Other Educational Activities** and in **Research, Scholarly or Artistic Activities** . . .”*



Evaluating teaching performance



Mengel, F., J. Sauermann, U. Zölitz, (2018). "Gender Bias in Teaching Evaluations." *Journal of the European Economic Association*



Obtaining academic promotions . . .

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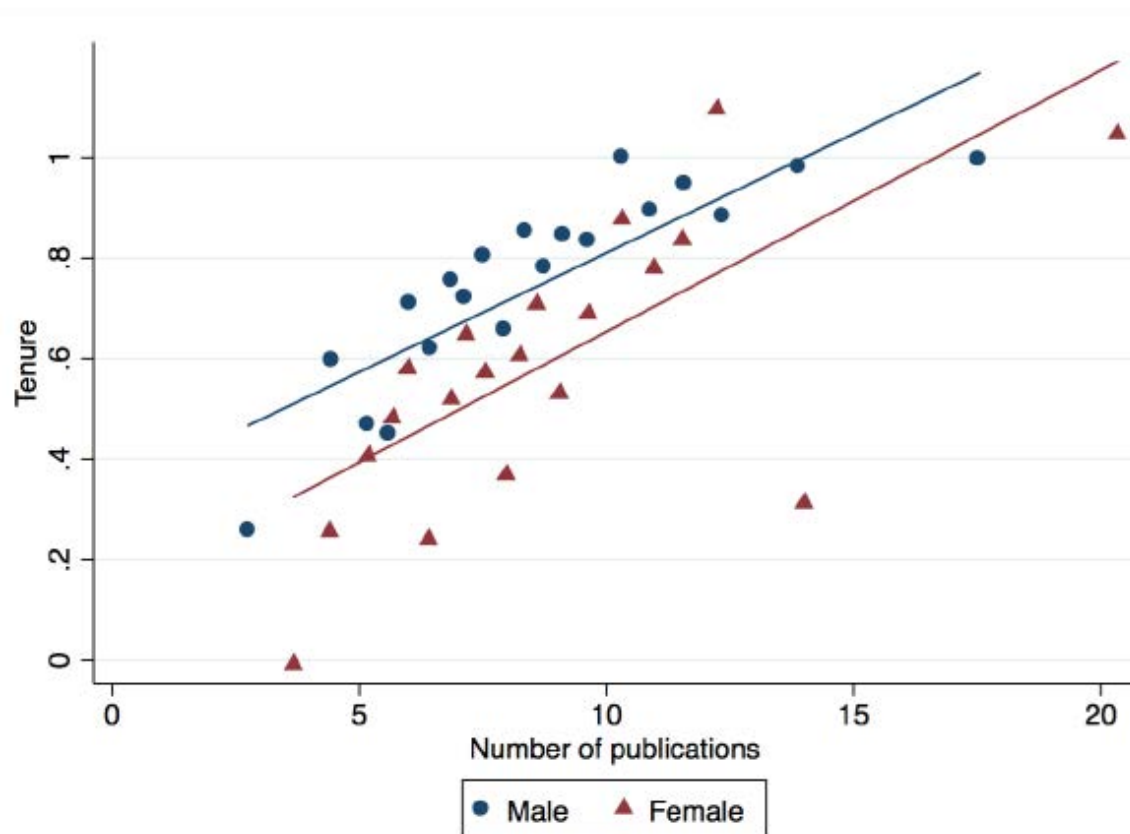
“contributions . . . to the excellence of the university, the advancement of the candidate's academic field . . .”

*“. . . both in Teaching and Other Educational Activities and in **Research, Scholarly or Artistic Activities . . .**”*



Evaluating research activities

FIGURE 1: TOTAL PAPERS AND TENURE

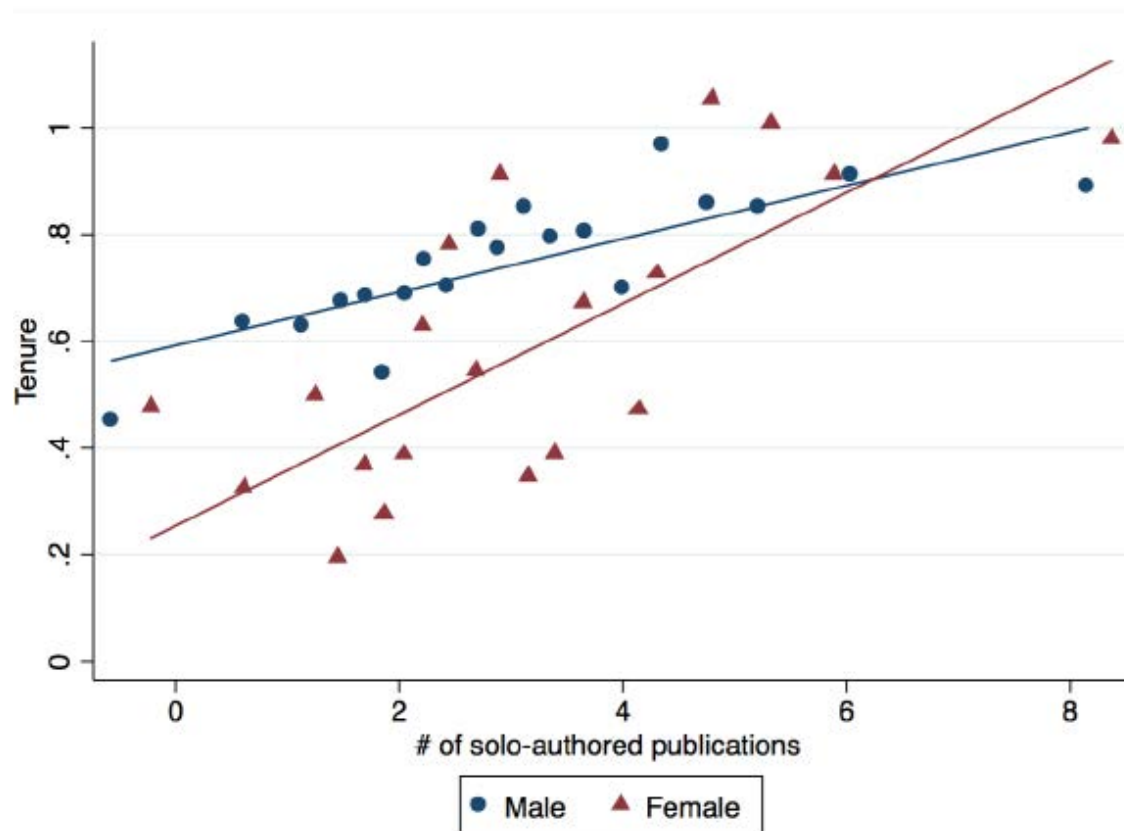


Sarsons, H. (2018). "Recognition for group work: Gender differences in academia." *American Economic Review: Papers & Proceedings*; Sarsons, H. (2018). "Gender differences in recognition for group work."



Evaluating research activities

FIGURE 2: SOLO AUTHORED PAPERS AND TENURE

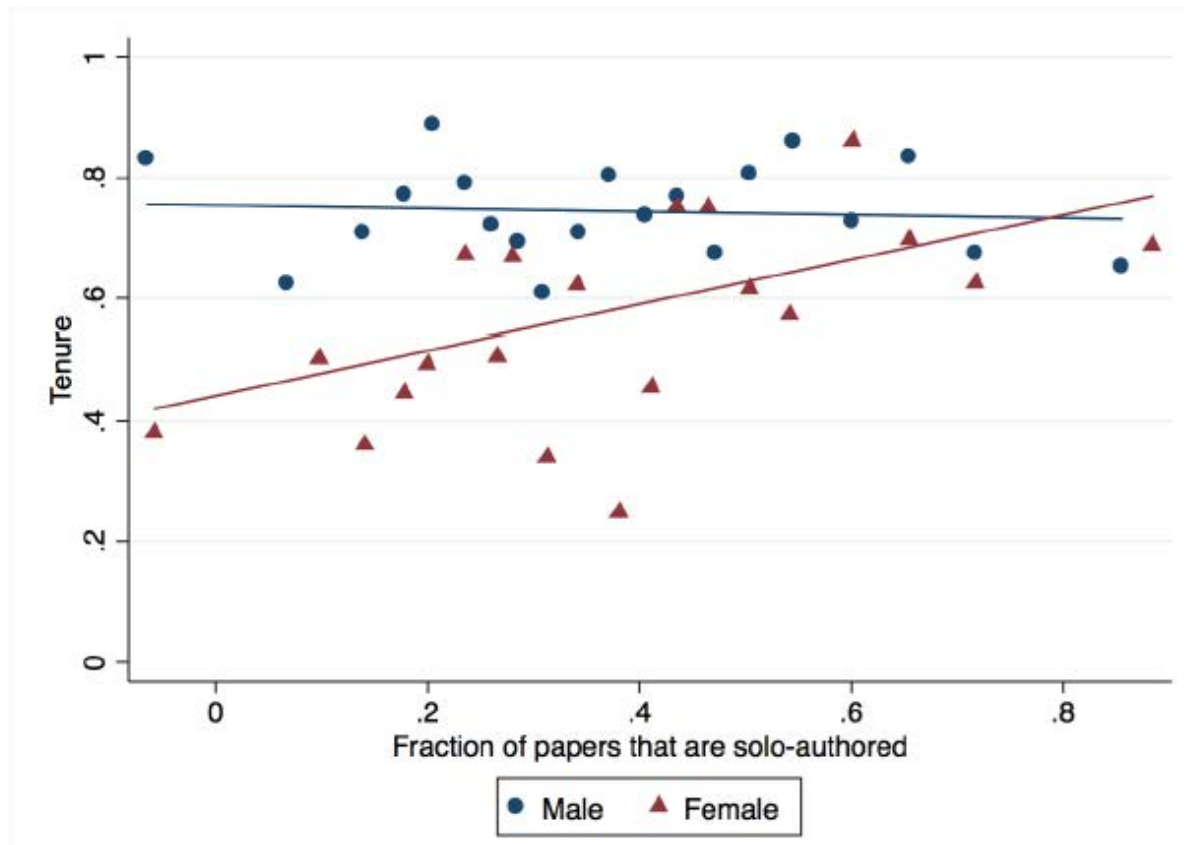


Sarsons, H. (2018). "Recognition for group work: Gender differences in academia." *American Economic Review: Papers & Proceedings*; Sarsons, H. (2018). "Gender differences in recognition for group work."



Evaluating research activities

FIGURE 4: RELATIONSHIP BETWEEN PAPER COMPOSITION AND TENURE



Sarsons, H. (2018). "Recognition for group work: Gender differences in academia." *American Economic Review: Papers & Proceedings*; Sarsons, H. (2018). "Gender differences in recognition for group work."



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Women may be disadvantaged in how they are evaluated on specific criteria and also on how various criteria are weighted—particularly in male-stereotypical disciplines



These biases have consequences

Many reasons why “Roberta” would have fallen behind the career trajectory enjoyed by Roberto

- Reduced access to valuable social networks throughout her academic career
- Negatively biased evaluations of performance because she doesn’t “look the part”
- Unfavorable weighting of criteria for hiring and promotions
-

How can we remedy these sources of gender imbalance?



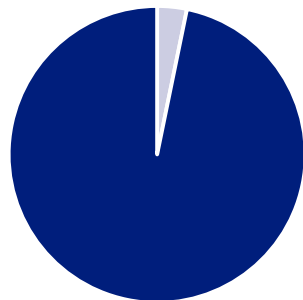
Reducing bias

Debiasing individual judgments is not easy

- Awareness, instruction and calls for change often ineffective

Department of Economics

Share of faculty



■ Female ■ Male



University of Zurich^{UZH}

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Gender Equality

14/15 June 2018

Second LERU Gender Conference

"Implicit bias in academia: a challenge to the meritocratic principle and to women's careers – and what to do about it"





Reducing bias

Debiasing individual judgments is not easy

- Awareness, instruction and calls for change often ineffective
- External evaluators, “neutral” third parties and women often just as biased

Bagues, M. F., B. Esteve-Volart. (2010). “Can gender parity break the glass ceiling? Evidence from a repeated randomized experiment.” *Review of Economic Studies*.



Reducing bias

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It is necessary to make *concrete structural changes* in how candidates are evaluated and decisions are made

- Limiting or delaying information availability to reduce bias

Goldin, C., C. Rouse (2000). “Orchestrating Impartiality: The Impact of ‘Blind’ Auditions on Female Musicians.” *American Economic Review*.

But!!!: Behaghel, L., B. Crépon, T. Le Barbanchon (2015). “Unintended effects of anonymous resumes.” *American Economic Journal: Applied Economics*.



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- Structured information acquisition and belief formation
- Incentives for counteracting the bias

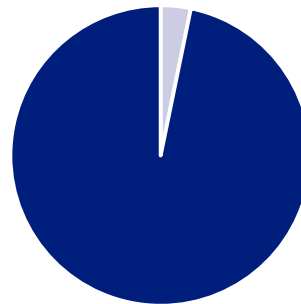


The power of incentives and competition

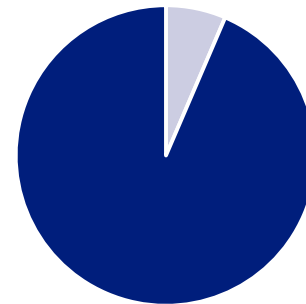
Absent true “blind” information processing and belief formation, the most effective way to counteract bias may be through incentives

Two examples:

- Free tenure line (from central administration) for the academic unit that attracts the strongest female researcher
- Non-female hiring freezes for units below a pre-defined threshold



■ Female ■ Male



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Any solution requires *real* commitment from leadership



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Thank you!