Reading Notes 1

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Gender Gaps in Performance: Evidence from Young Lawyers, written by Ghazala Azmat and Rosa Ferrer, tried to explain gender gaps in career outcomes among high-skilled positions. The authors first analyzed the determinants of gender gaps in performance, mainly focusing on three hypotheses—employer discrimination, child rearing, and career aspiration; then showed the important role of performance measures in explaining gender gaps in career outcomes; finally concluded that the presence of preschool children and career aspiration are key determinants of gender gaps in performance; the performance, together with individual and firm characteristics, explain almost entire gender gaps in career outcomes.

Given that career outcomes, measured by high pay and promotion opportunities, are often related to job performance (Lazear and Shaw, 2007; Lemieux, MacLeod, and Parent, 2009), it is reasonable to infer that gender gaps in career outcomes are also related to gender gaps in performance. Previous research showed that 50% of gender gaps in career outcomes remained unexplained after controlling individual and firm characteristics (Wood, Corcoran, and Courant, 1993; Dinovitzer, Reichman, and Sterling, 2009), which gave room for performance to play some role.

This paper relied on data from AJD in 2007. The dataset not only contains measures of performance (hours billed and new client revenue), career outcomes (earnings and partnership), but also contains individual and firm characteristics, including marital status, age, years of tenure, the size of the firm. Well-designed survey and informative dataset made it possible for authors to open the black box of the gender gap by simply using multiple linear regressions.

The raw gap in mean hours billed between male and female lawyers is 153 hours, the gap in new client revenue is $30,000. The gender gap in performance is large and persistent. Even after controlling for firm and individual characteristics, there is no big change in closing the gap. Since hours billed is one of the performance measures, gender gaps in performance may be due to the different required number of target billed hours, and different actual working hours. However, regression results showed that there is no obvious gender gap in target hours and working hours. Moreover, a lawyer's specialty has a small effect on performance, in other words, if male and female lawyers work in the same area of specialization, the gender gap in performance would keep existing.

Apart from the above three superficial reasons, the authors further investigated some traditional explanations: discrimination, child rearing, and career concern. Discrimination can be further divided into five aspects: insufficient assignments, partners discounting hours, mentoring activities of the same gender, less involvement with clients, perceived discrimination like harassment. Unfortunately, none of those five aspects significantly affect gender gaps in performance. Child rearing is another explanation because women physically experience pregnancy and traditionally shoulder more household responsibilities. Regression results indeed confirmed the unequal intra-household division of labor. Great performance relies on objective situations as well as individuals' motivation. The difference in career aspiration between male and female lawyers explains the remaining gender gaps of performance.

With a detailed analysis of gender gaps in performance, the authors used the last 7 pages to demonstrate the strong link between performance and career outcomes. Individual and firm characteristics explain approximately 50% of gender gaps in career outcomes; performance, specialty explain another 50%.

To sum up, this paper opened the black box of gender gaps at the workplace, especially among high-skilled individuals. The presence of young children and career aspiration "lend to" gender gaps in performance, gender gaps in performance then "lend to" gender gaps in career outcomes. The results are impressive, however, the paper also has several obvious limitations: first, linear regression can only show correlation rather than causality; second, the authors focused on testing exiting guesses rather than coming up with brand new ideas; third, no effective methods were given to narrow gender gaps. From my point of view, women's household responsibilities and lack of career aspiration are formed from the social construction of "women", so the analysis of social value should not be neglected in future studies.