

## **CONFIDENTIAL - FOR PEER-REVIEW ONLY**

### **Navigating Diversity Hiring Policies (#184823)**

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#### **1) Have any data been collected for this study already?**

It's complicated. We have already collected some data but explain in Question 8 why readers may consider this a valid pre-registration nevertheless.

#### **2) What's the main question being asked or hypothesis being tested in this study?**

I am conducting an online experiment to investigate how different hiring policies affect bias in beliefs and hiring of minority workers. In particular:

1. Does a policy that incentivizes (instead of forcing) hiring and exposure to minority workers results effective in reducing bias in beliefs and hiring?
2. The effectiveness of hiring policies. Specifically, how does a policy that forces employers to only hire minority workers compare to a policy that forces employers to meet a quota, and to a policy that incentivizes employers to meet a quota, as opposed to a situation without any hiring policy?
3. Do these policies have long-term effects once they are lifted? Specifically, do they have a long-lasting reduction in bias in beliefs and hiring once employers have freedom in hiring?

#### **3) Describe the key dependent variable(s) specifying how they will be measured.**

I designed an online experiment, where respondents play the role of workers or employers. 300 college educated white and Hispanic participants on the online platform Prolific assumed the role of workers. They each solved up to 10 multiple-choice algebraic problems from the quantitative GRE. A subset of 200 of them are the workers available to employers. The hiring experiment involves a second set of participants – all white – recruited through Prolific to be the employers. They make 2 sets of 10 hiring decisions (20 decisions in total) involving a white worker and a Hispanic worker and are paid based on the productivity of the hired worker. I elicit incentivized beliefs about the average productivity of white and Hispanic workers at the beginning of the hiring task, in the middle (after 10 decisions), and at the end (after 20 decisions).

My primary dependent variables are:

1. Beliefs. Beliefs about the average productivity of each group of workers. Initial beliefs (before any hiring), and the evolution of beliefs over time.
2. Hiring decisions. The likelihood of hiring a minority worker, initially and over time; the total times that a minority worker is hired.

#### **4) How many and which conditions will participants be assigned to?**

I randomly assign employers to one of four treatment conditions below, that differ in the first set of hiring decisions:

T1: Employers have freedom in hiring in both sets; they choose between a randomly chosen white worker and a randomly chosen Hispanic worker.

T2: Employers are forced to hire only Hispanic workers in the first set. In the second set, they have freedom in hiring.

T3: Employers have to hire at least five Hispanic workers in the first set. In the second set, they have freedom in hiring.

T4: Employers have freedom in hiring. If they hire at least five Hispanic workers in the first set, they get one additional hiring decision and choose between a randomly chosen white worker and a randomly chosen Hispanic worker. In the second set, they have freedom in hiring.

#### **5) Specify exactly which analyses you will conduct to examine the main question/hypothesis.**

I will conduct regression analyses on the likelihood of hiring a Hispanic worker in the second set of hiring decisions, as well as beliefs regarding average group productivity. My primary explanatory variables will be treatment indicators, measures of hiring experiences with workers from each group, and interaction terms between such measures and the treatment indicators.

For the analysis of beliefs, I will perform specifications following a Bayesian-learning framework to investigate the role of priors and experiences in belief updating. I also plan to conduct heterogeneity analysis by ex-ante biases.

For T4, I will do additional analysis for the likelihood of engaging in the hiring policy, and the likelihood of hiring a Hispanic as the additional worker.

#### **6) Describe exactly how outliers will be defined and handled, and your precise rule(s) for excluding observations.**

I do not expect to exclude any survey respondents, with the exception of subjects failing comprehension questions and attention checks.

#### **7) How many observations will be collected or what will determine sample size? No need to justify decision, but be precise about exactly how the number will be determined.**

Guided by power calculations, I aim to collect data from 800 employers, i.e., 200 employers per treatment.

#### **8) Anything else you would like to pre-register? (e.g., secondary analyses, variables collected for exploratory purposes, unusual analyses planned?)**

The initial survey includes questions about geographic and demographic characteristics, risk and time preferences, and social desirability bias. The survey-generated variables will be used as control variables. Secondary analyses will explore heterogeneous effects of the treatments by these measures - gender, political leaning, and geographical location in particular.

I already collected data from the 300 Prolific workers as part of a different project, pre-registered for different purposes. I collected data from a small

sample of employers for T1 (50 employers) when piloting the incentives scheme.