

## Excercise 4

2024-02-06

Read the paper by Glover, Pallais and Pariente (2017). Summarize its main finding in 2-3 sentences, using your own understanding and language (no copy-pasting please).

Based on the cashier-manager data from a French retailer, the authors empirically concluded that it is the managers' bias towards minority that caused a diminished level of interaction with the cashiers of minorities, which led to their observed underperformance at work. Due to minorities' observed underperformance, the bars for hiring were raised for minority workers to compensate for the compromised metrics, which in turn aggravated the discrimination.

Comment on the research design of the paper. Which of the tools described in the video did they use? How did they use them?

The tool of instrumental variable was used to control for exogenous factors that could impact the treatment variable, in this case if the cashier is minority, when testing if the treatment variable combined with the managers' bias measured by IAT score could explain the dependent variables differently.

Two types of instrumental variables (fixed effect) were used in the paper, one related to worker and the other related to the shift. The authors ran a regression with the treatment included without controlling for shift/worker-specific factor first, then ran several identical regressions by adding one extra fixed effect at time and compare the coefficients of the regressions.

Comment on any possible remaining threats to inference that may result from measurement or implementation problems likely encountered by the researchers.

IAT scores can be linked to ones' cognitive capacity or ones' age. It might not be an accurate measure of bias towards minority without controlling for these factors.

The samples are predominantly female as the author indicated that male managers and cashiers accounted for less than 10% of the studied sample. The result could have been different if the sample was predominantly male or more balanced. Without controlling for the gender factor, it could be the case that women were more likely discriminate or to be discriminated at work in France.

Work survey asked for cashiers' ranking of managers. If they were discriminated and at the risk of being unemployed, they might just lie in the survey for their own interest.

Think about patent examiners now. If you were to try to establish why they leave the organization, what could be one causal hypothesis to test? (Hint: Think about many of the reasons certain workers may leave and pick one that you would like to test.)

Gender imbalance causes attrition.