

Reading Notes on Gender Gaps in Performance: Evidence from Young Lawyers

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Gender gaps in career outcomes have existed in high-skilled professionals in the United States for a long time. Based on this phenomenon, Ghazala Azmat and Rosa Ferrer (2017) conduct their research from two main aspects. First, they consider whether the differences in performance can explain the career gaps. Given the difficulty of measuring job performance, they focus on the legal profession because two transparent and objective measures can be used: the hours billed to clients, and the revenue generated from the new clients, to compare the earnings between male and female lawyers. Second, they study the determinants of gender gaps in performance both from traditional perspectives like discrimination and child-rearing, and alternative perspectives like career aspirations and networking behavior.

In their studies, the authors use the data from After the JD, a nationally representative dataset containing basic information such as the job characteristics and family background of young lawyers in the United States. Since this dataset was first formed in 2002 and completed with more detailed data about the work performance of the lawyers including hours billed and other related variables in 2007, the authors could study the changes in factors that affect the gender gaps in performance when controlling for different variables.

The authors have applied multiple linear regression analysis. When analyzing the relationship between performance and the gender gaps in earnings, the raw gap in mean log earnings between male and female lawyers has decreased from 18 log points to 10 log points, controlling for individual characteristics. It means that those individual characteristics have explained part of the gender gap in earnings. When authors also include the firm characteristics, half of the remaining gender gap in the earnings has been explained. After controlling for the performance measures, the remaining gap in earnings has been explained and the significance level decreased. Besides, the authors have adopted the same strategy in analyzing the relationship between performance and gender gaps in promotion. They find that billed hours and client revenue have explained about 40 percent of the remaining gap after controlling for individual and firm characteristics. The authors have proved that the difference in performance

is related to the gaps in career outcomes.

After controlling other variables such as the individual characteristics, region fixed effects, and education level, the authors use OLS regression to analyze different hypotheses. They study the first traditional explanation: Employer discrimination, and they find that discrimination from employers can not lead to the gender gap in performance by analyzing the effect of inadequate assignment allocation and partners discounting hours. In terms of the second traditional explanation: child rearing. They find that raising pre-school children has a significantly negative impact on female lawyers' hours billed. It is possible that mothers actively shoulder the responsibility of caring children and decrease their work time. However, this factor does not affect the new client revenue. In the end, the authors focus on the alternative explanation that the aspiration of becoming a partner lawyer. They find that male lawyers have a higher level of professional advancement aspirations, which has a significantly positive impact on hours billed and new client revenue. The authors show that the aspirations benefit males by creating more new client revenue and, therefore, have a better performance than female lawyers. Besides, the authors also investigate other alternative explanations, such as the willingness to overbill and networking behavior. These factors have very little effect on gender gaps in the career performance.

In summary, the authors prove that the differences in job performance can substantially influence the gender gaps in earnings and subsequent promotions. They have well used the measurement of the legal profession to explain the gender gap in performance among high-skilled occupations. They conclude that pre-school child-rearing and career aspiration are the main reasons for gender gaps in career outcomes. However, this research still has some limitations. For instance, since people's concepts and industries are continuously changing, it is possible that the data and conclusion from 20 years ago cannot apply in the current situation.