

Social Movement and Gender Disparities in Promotions: Evidence from the #MeToo Movement

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INTRODUCTION

The need for respect or equality tops the list of reasons for supporting #MeToo

Among those who say they support the #MeToo movement, % saying they support it because ... [OPEN END]

Women need or deserve equality or respect/it draws attention to the issue	34
Holds abusers accountable	14
Supports victims/allows them to heal	13



Research Question:

Do social movements, such as #MeToo, affect the promotion rates of female managers relative to their male counterparts in the workplace?

MANAGER-LEVEL

Baseline Regression:

	(1) Chg_rank	(2) Promotion	(3) Chg_rank	(4) Promotion
Post × Female	0.116*** (3.81)	0.011*** (3.67)	0.113*** (3.73)	0.011*** (3.59)
Ln(Assets)	0.047* (1.77)	0.002 (0.64)	0.050* (1.90)	0.003 (1.01)
Rank FE	YES	YES	YES	YES
Employee FE	YES	YES	YES	YES
Firm FE	YES	YES	YES	YES
Year FE	YES	YES	YES	YES
Age Cohort FE	NO	NO	YES	YES
Tenure Cohort FE	NO	NO	YES	YES
Cluster by Firm	YES	YES	YES	YES
Observations	391,604	391,604	391,604	391,604
Adjusted R-squared	0.210	0.145	0.211	0.147

Subsample analysis:

- ✓ Significant for both within- and across-firm promotions
- ✓ Managers who never changed firms benefit more than those who have changed firms at least once

Younger, lower-ranking females are more likely to be promoted.

FIRM-LEVEL

Firms with historically more sexist culture are more likely to reduce GPG.

Sexism Variable =	Gender Promotion Gap				
	Male Mgr% ₂₀₁₆	Male Mgr% Indicator ₂₀₁₆	Top-5 Paid Men ₂₀₁₆	Top-5 Paid Men Indicator ₂₀₁₆	
	(1)	(2)	(3)	(4)	(5)
Post × Sexism Variable	-0.015*** (-4.84)	-0.153*** (-7.77)	-0.041*** (-7.51)	-0.113*** (-4.21)	-0.035*** (-4.49)
Ln(Assets)	0.002 (0.36)	0.006 (1.19)	0.006 (1.23)	0.004 (0.58)	0.003 (0.55)
Firm FE	YES	YES	YES	YES	YES
Year FE	NO	YES	YES	YES	YES
Cluster by Firm	YES	YES	YES	YES	YES
Observations	19,946	17,579	17,579	7,779	7,779
Adjusted R-squared	0.030	0.025	0.025	0.025	0.026

Mechanism:

- ✓ More sexist firms in non-conservative areas, with a more dedicated IO, and in more competitive labor markets reduce GPG.

METHODS

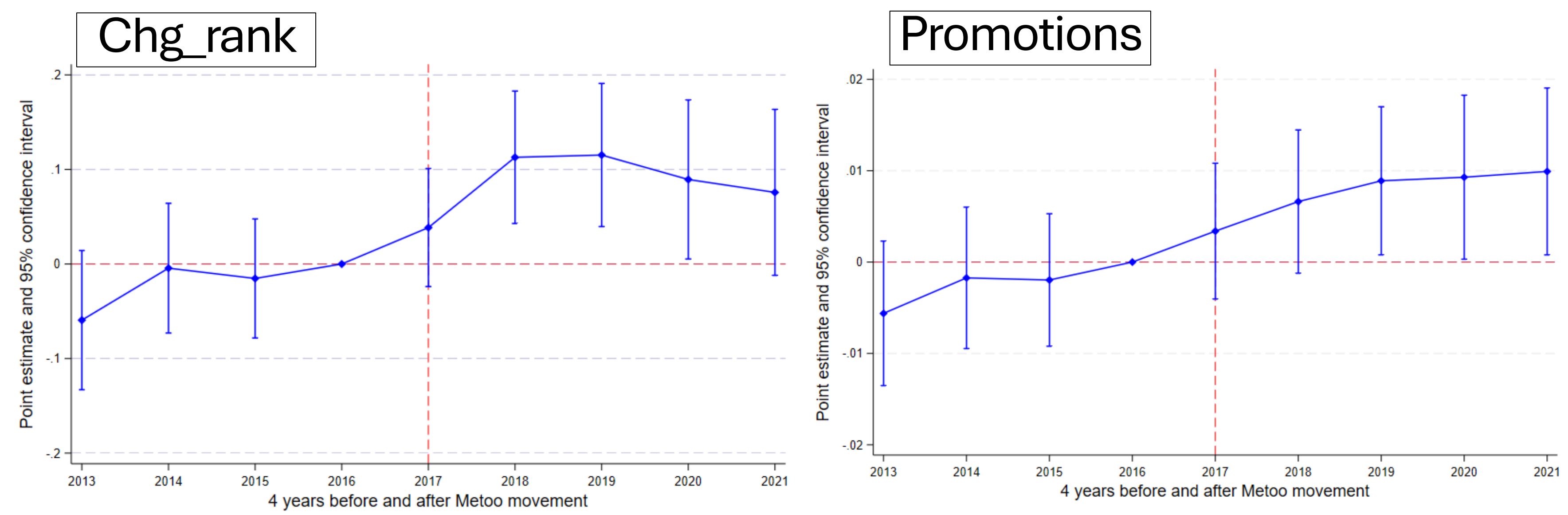
Difference-in-Difference model

$$Y_{i,j,t} = \alpha + \beta_1 \times Post_t \times Female_j + \beta_2 \times Post_t + \beta_3 \times Female_j + \gamma_i + \theta_t + \omega_j + other\ FEs + \epsilon_{jst}$$

$Y_{i,j,t}$: the change in the rank or the promotion of manager j of firm i in year t .

$Post_t$: an indicator that equals one for the years after 2017, and zero before 2017.

$Female_j$: an indicator that equals one for female managers, and zero otherwise.



Promotion Variable =	Compensation Growth	
	Chg_rank (1)	Promotion (2)
Post × Female × Promotion Variable	-0.004 (-0.67)	-0.014 (-0.25)
Post × Female	0.005 (0.43)	0.005 (0.38)
Female	-0.004 (-0.40)	-0.004 (-0.40)
Promotion Variable	0.003** (2.35)	0.043*** (2.84)
Post × Promotion Variable	0.002 (1.11)	0.006 (0.28)
Female × Promotion Variable	0.010** (2.26)	0.068* (1.67)
Ln(Assets)	-0.086*** (-5.48)	-0.086*** (-5.47)
Observations	56,297	56,297
Adjusted R-squared	0.083	0.083

Not Tokenism

Capital IQ Compensation data used for alternative measure

Tobin's Q ↑, TFP ↓ due to labor market reshuffling

	(1) Tobin's Q	(2) ROA	(3) TFP
Post × Male Mgr% Indicator ₂₀₁₆	0.107** (2.20)	0.005 (1.45)	-0.042** (-1.99)
Ln(Assets)	-0.360*** (-8.00)	0.002 (0.43)	0.118*** (5.79)
Firm FE	YES	YES	YES
Year FE	YES	YES	YES
Cluster by Firm	YES	YES	YES
Observations	17,474	17,450	9,613
Adjusted R-squared	0.739	0.785	0.710

Talented males leave

	(2) Pct Left	(4) Pct Female Left	(6) Pct Male Left	(2) Pct Join	(4) Pct Female Join	(6) Pct Male Join
Post × Male Mgr% Indicator ₂₀₁₆	0.003 (0.74)	-0.009*** (-5.64)	0.012*** (3.78)	0.008* (1.66)	0.011*** (5.63)	-0.004 (-1.01)
Ln(Assets)	0.021*** (6.71)	0.003** (2.07)	0.019*** (6.94)	-0.013** (-2.28)	-0.005** (-2.52)	-0.008* (-1.83)
Firm FE	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES