

VIII Medici Summer School in Management Studies

"Organizational Bases of Inequality"

June 6th - June 10th, 2016

"The purpose of "The 2016 Medici Summer School" is to bring together a group of researchers who share a concern for advancing our knowledge about the impact of organizations on inequality and diversity."

For its 8th edition, the Medici Summer School in Management Studies provided an invaluable research forum to explore and discuss, under the guidance of prominent international scholars, about the theoretical mechanisms and processes that explain the foundations of organizational and social inequality. Hosted at the HEC Paris's "Le Château", this five-days event was for us, fortunate participants, not only a remarkable source of research inspiration, but also an enjoyable opportunity to build connections with academics and doctoral students from different institutions. By bringing together 25 PhD students and young scholars from a wide range of countries, the Medici Summer School offered an international symposium in which to present and discuss research plans and work-in-progress in a supportive and friendly atmosphere. In this interdisciplinary context, we benefitted from the opportunity to be exposed to heterogeneous theoretical and empirical perspectives within a community of colleagues with similar research interests and research agenda.

Day 1, June 6th: Lead faculty: Prof. Roberto Fernandez (Massachusetts Institute of Technology)

During the first day, Prof. Roberto Fernandez introduced us to the field of research on "organizational bases of inequality". First, he provided an epistemological framework for enabling us to position our research in terms of audience and interplay between theoretical and empirical perspectives. Then, he traced the historical evolution of the field, highlighting how it gradually progressed around three dimensions: concepts, measures, and tools. He described its origins informed by Weberian works, the conceptual and methodological moves from Mobility to Status attainment studies, and finally the shift to the structural approaches, with their focus on organizations. The second part of the session offered an overview on the organizational mechanisms that produce disparate outcomes: allocative, within-job wage, and valuative discrimination. Within this framework, Prof. Fernandez also presented one of his most recent works about the mechanisms at the basis of gender inequality in the hiring process, emphasizing the need to disentangle supply-side and demand-side factors.

- Learning point 1: Since gender discrimination is likely to be greater at the time of hire, employers should adopt a proactive approach in the hiring process by influencing the sex composition of new hires

Day 2, June 7th: Lead faculty: Prof. Trond Petersen (University of California)

The second day began with an interesting brainstorming on the potential mechanisms at the basis of the wage gap between different countries: "Why is the wage gap larger in US than in Sweden?" In answering the question of discrimination, the lecture invited us to look not only at the role of organizations, but also at the relevance of the regulatory environment, societal conditions, and broader economic organization in generating inequality. Moreover, Prof. Petersen offered a comprehensive framework to study the role of discrimination enacted from employers. In particular, it highlighted three research dimensions: 1) The Why, the motives for discrimination (e.g., prejudices, stereotypes, statistical discrimination, non-conscious motives); 2) The How, the techniques and methods of discrimination (disparate treatment and disparate impact or structural discrimination); 3) The Where, the arenas of discrimination (allocative, valuative, and within-job wage discrimination). Against this background, the session also provided an overview of the different methodological approaches to investigate research questions about inequality: surveys, laboratory experiments, organizational case studies, field intervention studies, and audit studies. At the end of the session, three students had the opportunity to present their research and receive feedbacks from the faculty and their peers.

- Learning point 2: Employers' strategies aimed at increasing organizational accountability and transparency in pay decisions are likely to reduce workplace inequality

Day 3, June 8th: Lead faculty: Prof. Roxana Barbulescu (HEC Paris)

During the third day, Prof. Barbulescu's lecture focused on research design. The session illustrated the problem of uncertainty as the mechanism underlying general current patterns in managerial careers, such as increased career fragmentation. Specifically, in facing a "matching problem" – i.e., employer's uncertainty about the quality and fit of the job candidate with the position, and the candidate's uncertainty about his potential for success in the job search process –, signals of quality become solutions for reducing uncertainty and the matching problem. On these grounds, group discussions explored the variety of signals that may be used to evaluate ability, such as education, prior work experience, or referrals. In the second part of the session, she presented a study of promotion criteria and practices in the financial services industry, highlighting how gender-related cultural norms of interaction may lead to differential outcomes for women and men. The study emphasized the importance, for a researcher, of deeply understanding the specific features of the research context. After an enjoyable visit to Palace of Versailles, three students presented their working papers.

- Learning point 3: Employer's practices that reduce conflicts between work and family demands could act to reduce application segregation, thus decreasing gender differences in job application.

Day 4, June 9th: Lead faculty: Prof. Frank Dobbin (Harvard University)

On Thursday, Prof. Dobbin lectured on employers' responses to inequality, and the effectiveness of these initiatives. He provided a historical overview on the main regulatory changes concerning anti-discrimination law and the consequences of their ambiguity. Also, he explained how the very concept of discrimination has changed and expanded overtime. The second session centered on the diffusion and effects of diversity management programs. In this context, he presented a study on the effects of several diversity interventions, showing the positive outcomes of managerial initiatives such as self-managed teams and cross-training initiatives, mentoring and referrals programs, presence of diversity taskforces and diversity managers. Also, through the comparison of diversity practices across different countries, the session enhanced our understanding of how institutional differences may influence diversity outcomes. Then, the group discussion focused on the analysis of the diversity initiatives and their effects at four major companies. Three students' presentations ended the session.

- Learning point 4: Mandatory diversity training programs, job-test, grievance procedures, and job rating are ineffective or detrimental for diversity. Voluntary diversity training programs, managerial accountability, and work-life programs are likely to have positive effects on diversity.

Day 5, June 10th: Lead faculty: Prof. Michael Dahl (Aarhus University)

The last day, Prof. Dahl explored the relationship between employment systems, organizational change, and individual outcomes. In particular, he focused on the employee consequences of employment practices, and on how to establish the casual link between practices and employee outcomes. In this context, he presented a study on the effect of organizational change on the mental well-being of the employees. The second session aimed at understanding the long-term mechanisms of inequality, by looking at the long-term effects of employment choices. As part of this stream of research, Prof. Dahl presented two studies about the long-term outcomes and trajectories of start up employees. The discussion of the papers stimulated a broad set of research questions to enrich our future agenda.

- Learning point 5: Given the psychological costs associated with performance-based compensation, team-based and flatter compensation might be more effective than individual performance-based compensation.

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