



Motivation “Carlo Dell’Aringa” Prize 2023

“Peer Effects and the Gender Gap in Corporate Leadership: Evidence from MBA Students”

Menaka Hampole, Francesca Truffa and Ashley Wong

The selection committee of the Prize – composed by the Programme Committee of the 2023 AIEL Conference – has evaluated 17 candidate papers and has unanimously decided to award the prize to Menaka Hampole, Francesca Truffa and Ashley Wong for their paper *“Peer Effects and the Gender Gap in Corporate Leadership: Evidence from MBA Students”*.

The paper by Hampole, Truffa and Wong studies how social connections affect women's career advancement. Specifically, it explores whether access to a larger share of female peers in business school helps women reach leadership positions, and whether it affects the gender gap in senior managerial positions.

The paper employs a novel dataset with information on long-run career trajectories and measures of firms' female-friendliness. To identify the causal impact of female peers, the paper leverages the quasi-random assignment of students into sections, and it exploits the exogenous variation in the gender composition of the sections, where students form strong social ties.

The paper first documents that female MBAs are 24 percent less likely than male MBAs to enter senior management within 15 years of graduation. Next, it shows that having a higher proportion of female section peers during the MBA increases women's advancement into senior leadership positions, while there is no effect on male students. This overall effect is economically significant and translates into a 26% reduction in the management gender gap.

This paper contributes to the literature on female underrepresentation in executive positions and on the role of social connections on future career outcomes, by presenting new evidence on the persistent effect of MBA peers and on the underlying mechanisms on women's career progression up to fifteen years post-graduation. This paper contributes also to a growing literature on female-friendly policies by showing that one potential mechanism for how female peer networks can help women advance into senior management is by increasing the rate at which women enter female-friendly firms.



From a policy perspective, the paper suggests that access to a larger network of female peers can raise women's likelihood of attaining senior leadership positions. It also suggests that female-friendly workplaces play an important role in women's career advancement.

The Prize committee has unanimously decided that the paper by Hampole, Truffa and Wong deserves the prize in consideration of the high quality and novelty of the data used, the rigour of the empirical analysis and the relevance of the results for the effective design of firm policies aimed at reducing the gender gap in leadership positions.