

If you schmooze, you don't lose . . . but only if you're a man

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Men have yet another advantage over women in terms of pay and promotion. A recent study investigates a way to quantify the professional consequences of the so-called “old boys’ club” phenomenon. Men receive pay and promotion advancements faster than those of their female counterparts when they have a male boss.

In “[The old boys’ club: schmoozing and the gender gap](#)” (National Bureau of Economic Research, Working Paper 26530, December 2019), researchers Zoë B. Cullen (Harvard University) and Richard Perez-Truglia (University of California, Los Angeles) set out to answer the question, How does the gender of someone’s boss affect the employee’s career trajectory? The authors find that more than one-third (38 percent) of the pay gap between men and women is due to the informal male-to-male face time that happens during activities such as sharing a smoke break.

The study looked at what happened when the staff at an unidentified large commercial bank in Asia got a new manager. The researchers examined 4 years of data from 2015 to 2018, drawing from data on 14,736 employees.

Cullen and Perez-Truglia found that 2 years after male employees switched from a female manager to a male manager, their pay increased about 13 percent more than that of male employees who had gone from a female manager to another female manager. They also found that female employees experienced the same career progression regardless of whether they transitioned from a female manager to a male manager or from a female manager to another female manager. Male employees, on the other hand, who switched to male managers, experienced faster career progression.

The authors suggest that male “schmoozing” is the most likely explanation as to why men’s careers advance more quickly when they have a male boss. The pay advantage only appeared when male workers spent considerable time working physically close to their male bosses. The data also showed that the number of breaks male employees took with their managers increased when they switched to a male boss.

Other possible explanations for men’s advancement, such as male managers were better at retaining male employees, were ruled out. In addition, male employees at the bank did not increase their effort or output under a male boss, as measured by hours worked and by revenue. Researchers discounted the idea that male managers produced better results from their male workers because they found no noticeable difference in sales revenue or hours worked when men worked for men.

The authors also point out that they noticed a distinct gap in promotion rates between men and women about a year after male employees switched to a male manager. This finding further proves that the average time for male managers to promote their male workers has also been influenced by the old boys’ club network.

The study also tested the theory that social opportunities are linked to career advancement by looking at what happened when employees of any gender switched from a nonsmoking boss to a boss who smokes. When the employee and boss were both smokers, the effect on career advancement was even more pronounced. Employees who smoked hung out with their managers more than the nonsmokers and wound up getting promoted more quickly, too. Of the company's male workers, 33 percent smoked, compared with less than 5 percent of its female workers.

The authors suggest several ways that companies can counteract the preferential treatment that male bosses may give male subordinates. For example, involving multiple managers in promotion decisions may deter both male and female employees from schmoozing their way into promotions. The researchers also recommend that companies intervene to promote more "gender-neutral" social activities so that everyone can equally hobnob with the boss.

The study offers strong evidence that the old boys' club advantage is real. Schmoozing works for men who have a male manager. Their promotion rate is higher than the promotion rate for women, regardless of the gender of their boss. Meanwhile, more than one-third of the gender pay gap is due to the informal face time that happens during social activities between males and their male bosses.