

Master-Seminar Summer Semester 2025

Personnel practices and experiments in organizations

Firms often introduce and modify internal policies related to personnel, such as improving incentive systems or enhancing workforce training. Other developments occur rather unintentionally, such as the influence of stereotypes on hiring or the dynamics of co-worker interactions. This seminar aims to examine key practices and policies within organizations from an economic perspective. How can economic theory and empirical research help improve organizational effectiveness?

Please note: all information and updates can be found on the course page:

https://jansauermann.github.io/teaching_2025_wuerzburg.html

How to apply:

- Name of seminar: Personnel practices and experiments in organizations
- The application process runs via <https://flip.wiwi.uni-wuerzburg.de/> with uploading a current transcript of record and an overview of all exams you will be taking this semester.

Time Schedule:

- Thursday, April 24th, 2025: Kick-off meeting and topic assignment (10:00 – virtual)
- May 2025 (date TBA): Midterm meeting (10:00 – virtual)
- Late June 2025 (date TBA): hand in of seminar paper and presentation of seminar paper in the block seminar (exact date and room to be announced) – in person

The number of participants is limited to **12 students**. The grade of the seminar comprises a mark for the seminar paper and a mark for the block seminar (presentation of your paper, presented comments to another paper, and discussion)

The seminar will be held in English. It will be conducted by Prof. Jan Sauermann (Institute for Evaluation of Labour Market and Education Policy (IFAU), Uppsala, Sweden) and Prof. Zwick.

List of topics

1	<p>The impact of workplace training on worker performance and wages</p> <p>Achyuta Adhvaryu, Namrata Kala, and Anant Nyshadham (2023), Returns to On-the-Job Soft Skills Training, <i>Journal of Political Economy</i>, 131, Number 8</p> <p>De Grip, A. and Sauermann, J. (2012), The Effects of Training on Own and Co-worker Productivity: Evidence from a Field Experiment. <i>The Economic Journal</i>, 122: 376-399</p> <p>Most firms offer on the job training to their employees. The majority of these training investments are borne by firms despite the problem that training can also increase workers' outside options. Why do firms nonetheless invest in training courses? Do workers make use of outside options? What do we know about the effectiveness of workplace training?</p>
2	<p>Working from home</p> <p>Nicholas Bloom, James Liang, John Roberts, Zhichun Jenny Ying, Does Working from Home Work? Evidence from a Chinese Experiment , <i>The Quarterly Journal of Economics</i>, Volume 130, Issue 1, February 2015, Pages 165–218,</p> <p>Michael Gibbs & Friederike Mengel & Christoph Siemroth, 2023. "Work from Home and Productivity: Evidence from Personnel and Analytics Data on Information Technology Professionals," <i>Journal of Political Economy Microeconomics</i>, University of Chicago Press, vol. 1(1), pages 7-41.</p> <p>The COVID-19 pandemic led to a dramatic increase in the use of working from home (WFH). Proponents argue that it saves costs for both firms and workers, while others fear that WFH leads to worse performance of workers. What do we know about the effects of WFH on worker performance? How can WFH affect careers as well as firms in the short and the long run?</p>
3	<p>Team incentives</p> <p>Bandiera, O., Rasul, I., & Barankay, I. (2013). Team incentives: evidence from a firm level experiment. <i>Journal of the European Economic Association</i>, 11(5), 1079–1114.</p> <p>Florian Englmaier, Stefan Grimm, Dominik Grothe, David Schindler, and Simeon Schudy (2024) The Effect of Incentives in Nonroutine Analytical Team Tasks, <i>Journal of Political Economy</i> 2024 132:8, 2695-2747</p> <p>Many firms use some sort of performance pay to align their employees' incentives with the goal of the firm, i.e. profit maximization. Especially if individual performance is difficult to measure, firms often use team incentives to stimulate performance. What are advantages and potential problems with team incentives? What do we know about the effectiveness of team incentives?</p>

<p>4</p>	<p>Peer effects in firms</p> <p>Diego Battiston, Jordi Blanes i Vidal, Tom Kirchmaier, Face-to-Face Communication in Organizations, <i>The Review of Economic Studies</i>, Volume 88, Issue 2, March 2021, Pages 574–609</p> <p>Bandiera, O., Barankay, I., and Rasul, I. (2010), “Social Incentives in the Workplace”, <i>Review of Economic Studies</i>, 77(2): 417-458.</p> <p>Most employees have co-workers. Co-workers can have positive impacts on performance, e.g. through learning from peers or through peer pressure. What are the empirical findings for the performance effects of peers and what do we know about the underlying mechanisms? Is there a case for management to strategically mixing workers to maximize firm performance?</p>
<p>5</p>	<p>Hiring discrimination</p> <p>Goldin, Claudia and Cecilia Rouse, “Orchestrating impartiality: the impact of Blind auditions on female musicians,” <i>American Economic Review</i> 90 (2000), 715–741.</p> <p>Alan Benson and Louis-Pierre LePage (2023), “Learning to Discriminate on the Job”, unpublished manuscript.</p> <p>Biases—intentional or unconscious—can influence hiring decisions, often disadvantaging certain groups. How can we measure such biases? How do biases and stereotypes evolve? Which organizational policies can counteract such biases?</p>
<p>6</p>	<p>Gender gaps in leadership and promotions</p> <p>Ingrid Haegele, 2024. "The Broken Rung: Gender and the Leadership Gap," Papers 2404.07750, arXiv.org.</p> <p>Benson, Alan and Li, Danielle and Shue, Kelly, "Potential" and the Gender Promotions Gap (March 4, 2024). Available at SSRN: https://ssrn.com/abstract=4747175</p> <p>Women are persistently underrepresented in top management and leadership roles. What are potential explanations for these patterns? What can organizations do to achieve a more balanced representation in top management?</p>

<p>7</p>	<p>Incentives for managers</p> <p>Guido Friebel, Matthias Heinz, Nikolay Zubanov (2021) Middle Managers, Personnel Turnover, and Performance: A Long-Term Field Experiment in a Retail Chain. <i>Management Science</i> 68(1):211-229.</p> <p>Oriana Bandiera, Iwan Barankay, Imran Rasul, Incentives for Managers and Inequality among Workers: Evidence from a Firm-Level Experiment, <i>The Quarterly Journal of Economics</i>, Volume 122, Issue 2, May 2007, Pages 729–773,</p> <p>Manager incentives, i.e. rewarding and motivating managers through various types of incentives, can shape organizational performance, workforce outcomes, and overall efficiency. Understanding the design and consequences of such incentives is crucial for balancing productivity gains with fairness within organizations. How do managerial incentives influence both their decisions and the behavior of employees under their supervision? Can incentive systems for managers create unintended consequences, such as widening inequality among workers?</p>
<p>8</p>	<p>Does management matter?</p> <p>Nicholas Bloom, Benn Eifert, Aprajit Mahajan, David McKenzie, John Roberts, Does Management Matter? Evidence from India, <i>The Quarterly Journal of Economics</i>, Volume 128, Issue 1, February 2013, Pages 1–51</p> <p>Bloom, Nicholas, Erik Brynjolfsson, Lucia Foster, Ron Jarmin, Megha Patnaik, Itay Saporta-Eksten, and John Van Reenen. 2019. "What Drives Differences in Management Practices?" <i>American Economic Review</i>, 109 (5): 1648–83.</p> <p>Differences in managerial practices can explain variation in organizational success and productivity. It raises important questions about why some firms consistently outperform others and whether management quality can be systematically improved. What role does management play in driving productivity and competitiveness across firms? How can firms overcome barriers to adopting better management practices?</p>