

Encouraging Women to Compete: Social Image and Prosocial Incentives *

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Abstract

Why do women avoid participating in competitions and how can they be encouraged to participate? In this paper, we investigate how social image concerns affect women's decisions to compete. We first propose a theoretical model to show that participating in a competition is costly for women from the social image viewpoint, since such behavior deviates from traditional female gender norms. This results in women's lower standing in competitive environments, even under affirmative action policies favoring women, when decisions to compete are observed. We posit and theoretically demonstrate that introducing prosocial incentives in a competitive environment is effective and robust to public observability, since (i) it induces women who are intrinsically motivated by prosocial incentives to a competitive environment and (ii) it makes participating in a competition not costly for women from the social image viewpoint. To this end, we conduct a laboratory experiment, randomly manipulate the public observability of decisions to compete, and test our theoretical predictions. The results of the experiment are fairly consistent with the theoretical predictions. We suggest that, when designing policies to promote gender equality in competitive environments, using prosocial incentives through company philanthropy or other social responsibility policies as either substitutes or complements to traditional affirmative action policies, could be promising.

Keywords— Behavioral economics, Gender, Prosocial incentives, Social image, Willingness to compete

JEL Classification— C91, D82, D91, J16

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