

SEMINARIO DE ECONOMÍA

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Título:

“Diversity, Group Size and Performance in Organizations”

Ponente:

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Lugar e hora:

Aula-Seminario 6

13:00 h

Organiza:



Coa colaboración de:



<http://seminariodeeconomia.webs.uvigo.es/>

www.ecobas.es/gl/seminarios.php

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Diversity, Group Size and Performance in Organizations

How does diversity between team members interact with group size in affecting performance? In this paper we model both horizontal and hierarchical teams with knowledge spillovers in production and heterogeneous between-type and within-type costs of communication, comparing the expected productivity of workers in homogeneous and heterogeneous teams. The main theoretical result is that the effect of introducing a diverse worker on colleagues' performance is increasing in the size of the group or layer where the newcomer is allocated. This prediction is tested using a novel rich administrative dataset of tax collectors in the Pakistan Administrative Services. In order to observe worker heterogeneity we exploit a policy requirement whereby 10% of the PAS civil servants have to come directly from the army. We find that working with a military colleague is associated with a higher performance for civilian civil servants the larger the layer in which the military is introduced. Based on these results, we suggest some rules for the efficient allocation of heterogeneous workers in hierarchical organizations that maximize aggregate productivity.