Best-of-five Contest: An Experiment on Gender Differences

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Abstract

Gender differences in competitiveness have often been cited as an explanation for the observed dearth of women in highly-ranked positions within firms. We conduct an experimental analysis of a best-of-five contest that systematically controls for gender composition. We study the extent and the level of over-dissipation in longer contests as well as the gender differences therein. We find that women exert significantly greater effort when competing with other women. Unlike other contest studies, however, we do not find over-dissipation in the all-male and the mixed gender sessions. Our experimental design controls for loss aversion, risk aversion, utility of winning as well as elicits a measure of overconfidence. We incorporate these behavioral factors into the theoretical framework to explain our experimental findings.