

2020 Research Paper Competition

*The Value of Delegation in Hiring*

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Delegation in hiring (DIH) is becoming a mainstream management practice among business chains worldwide, yet theoretical and empirical evidence of its effects remains scarce. DIH refers to the use of local business-unit managers to do their own recruiting, rather than relying on the headquarters human resource department. To estimate the impacts of DIH on employee recruitment, productivity, and firm performance, we partnered with a large Chinese firm with 111 retail stores on a 12-month field experiment. In addition to the experimental analysis, we analyze the observational data of multiple firms and find similar results.