



THE UNIVERSITY OF
CHICAGO

Enter the Partisan Firm

How Affective Polarization Shapes Corporation and Career

Joshua Gary Mausolf
The University of Chicago

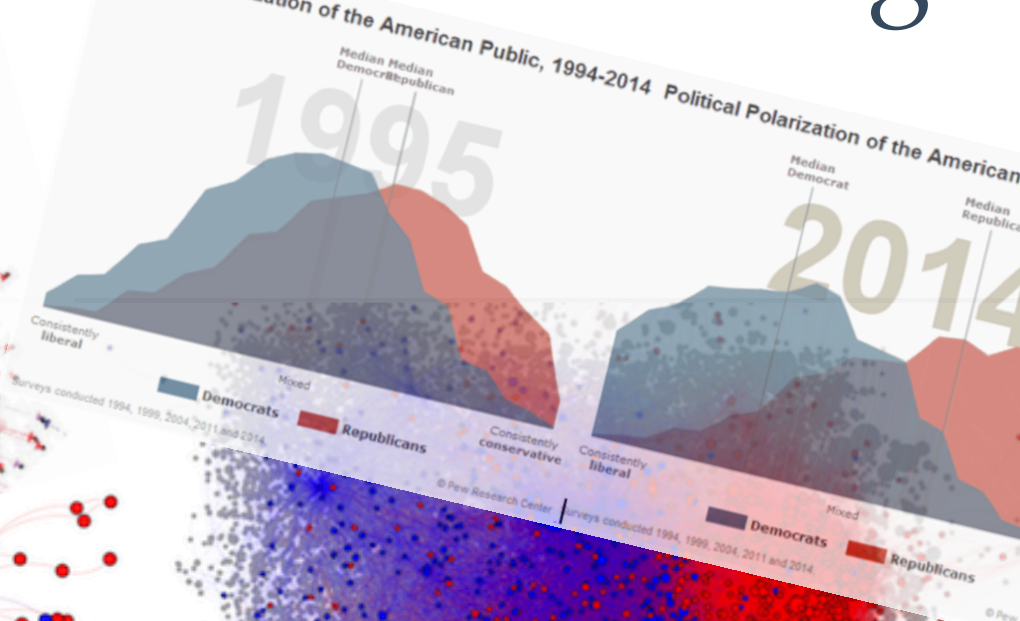
jmausolf@uchicago.edu

jmausolf.github.io

Shanto Iyengar
Stanford University

Polarization Trending

**FEAR AND
LOATHING
ACROSS
PARTY LINES:
NEW EVIDENCE ON
GROUP POLARIZATION**



Motivating Questions

Motivating Questions

- To what extent does partisan and affective polarization emerge in the American corporation?
- Are firms becoming more homogeneous in partisan composition and why?
- Can partisanship, especially affective polarization, affect careers, such as entry into a firm or corporate board appointments?

How Do We Evaluate Partisanship?

What is Partisan Polarization or Party Sorting?

- *Partisan polarization or party sorting* refers to the phenomenon whereby individuals sort into discrete and increasingly homogeneous political factions (Fiorina and Abrams 2008; Lee 2015).
- Polarization can be viewed as a process (DiMaggio et al. 1996). I suggest that we can look at expressed partisanship in its own right and how it has changed for individuals in firms.

What is Affective Polarization?

- Collectively, affective polarization refers to feelings of hostility or animosity between opposing partisans versus positive sentiment for copartisans (Iyengar and Westwood 2015; Iyengar et. al. 2019).
- Because out-party animus is stronger, affective polarization often refers to animosity toward opposing partisans.
- Positive feelings for copartisans can also be thought of as partisan homophily.

How Do We Think About the Relationship between Firms and Partisan Politics?

Let's Think About Partisanship within Firms and How it Affects Careers

- Approach 1: Examine how corporations and elites influence politics and society (Domhoff 2010; Mills 1956; Hacker and Pierson 2010).
- Approach 2: Examine elites and careers apolitically (Useem and Karabel 1986; Levine 1980; Rivera 2011, 2012; Bertrand 2009).
- **Approach 3: Examine How Partisanship Operates in Firms and Affects the Careers Therein.**

Aligning with Firm Culture is Important

- Matching a firm's cultural or social context can influence not only hiring behavior (Rivera 2012; Rivera and Tilcsik 2016) but also decisions to terminate employees (Goldberg et al. 2016; *c.f.* King et al. 2010; Stinchcombe 1965).

Societal Partisanship Might Enter Firms

- Given rising partisanship in society (Iyengar et. al 2019; Baldassarri and Goldberg 2014)
- And the ability of societal processes to infiltrate organizations (Davis et al. 2008; Powell and Sandholtz 2012; Clemens)
- Suggests partisanship might also enter firms and affect the careers therein

What Does the Organizational Diversity and Culture Literature Say?

Would Firms Preempt Partisan Diversity or Promote Partisan Homogeneity? Evidence is Mixed.

- Firms have legal and regulatory incentives to prevent discrimination and might see benefits in innovation from diversity (Dobbin and Sutton 1998; Ancona and Caldwell 1992; Burt 2000, 2004).
- At the same time, firms might promote homogeneity to capture performance benefits, emphasize cultural fit, or avoid performance downfalls of diversity (Rivera 2012; DiTomaso et al. 2007; Reagans & McEvily 2003; Williams & O'Reilly 1998).

So, does partisanship enter firms and affect the behavior and careers therein?

Answering this Question Empirically

A Dissertation Chapter Overview

How Does Partisanship Structure Behavior in Firms?



Partisan Polarization
a.k.a.
Party Sorting

Affective Polarization
a.k.a.
**Partisan Animus and
Partisan Homophily**

Partisan Homogeneity within Firms
Partisan Heterogeneity between Firms

Entry Level Hiring?

Board Appointments?

Chapter 2

Chapter 3

Chapter 4

Chapter 2

Corporate Politics: The Emergence of Partisan Polarization in Firms, 1980-2018

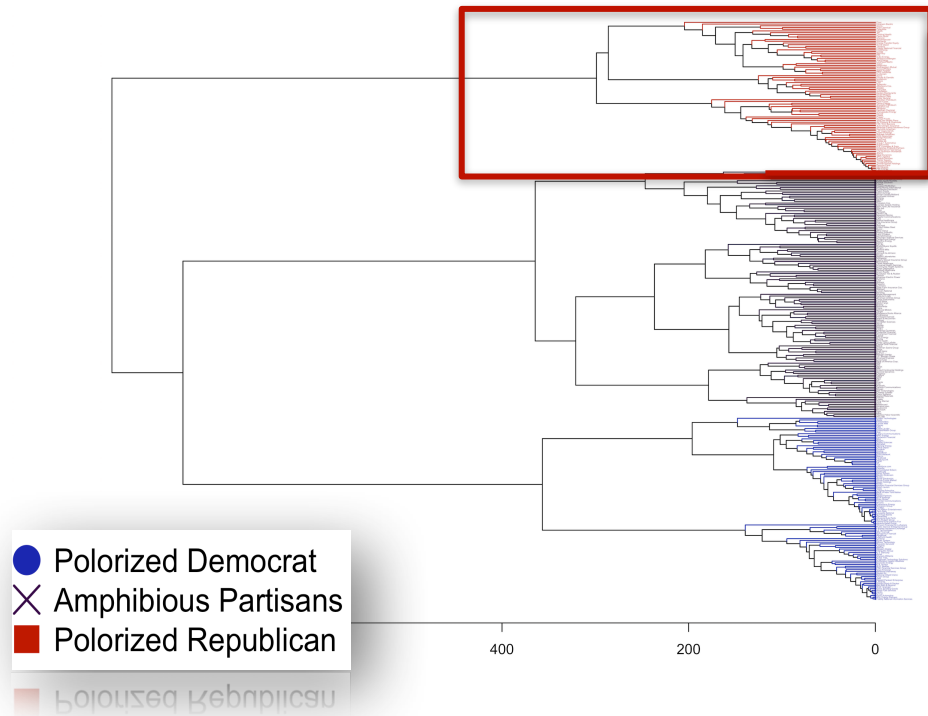
Can We Classify Partisan Firms and Has Party Sorting Increased?

Methods: FEC Data Analysis

- Data Sources: Federal Election Commission (FEC) Data on Individual Campaign Contributions to Political Committees
- Analysis: Dynamic Time Warping Hierarchical Cluster Analysis, Post-Clustering Analyses

Dynamic Time Warping AGNES-Ward Model: 1980-2018

Hierarchical Time Series Cluster Model of Partisan Polarization 1980 - 2018 (AGNES HCA Using Ward)

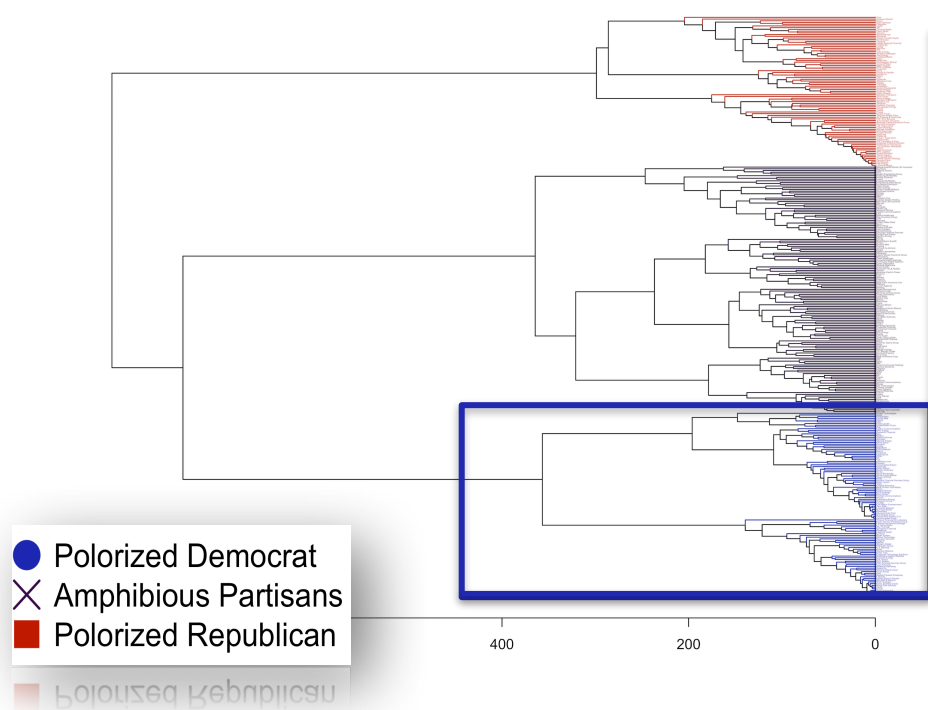


Republican Firms include:

- Marathon Petroleum
- Marathon Oil
- Exxon Mobil
- Anadarko Petroleum
- Monsanto
- Dean Foods
- Hormel Foods
- Caterpillar
- Home Depot
- USAA

Dynamic Time Warping AGNES-Ward Model: 1980-2018

Hierarchical Time Series Cluster Model of Partisan Polarization 1980 - 2018 (AGNES HCA Using Ward)



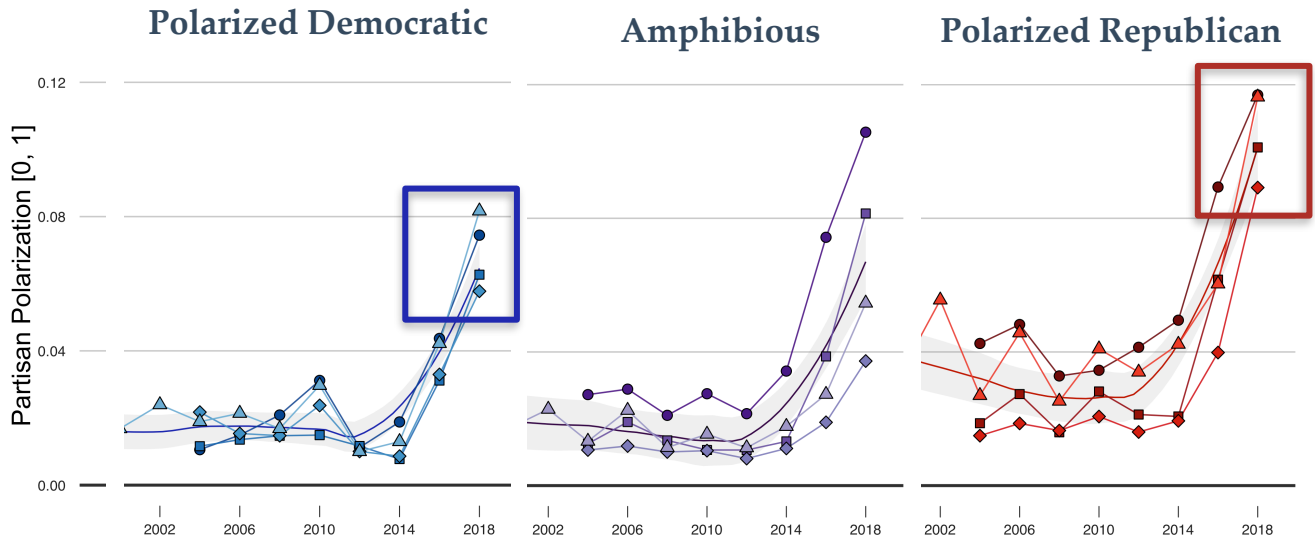
Democratic Firms include:

- Alphabet (Google)
- Apple
- Tesla
- Nike
- Disney
- Starbucks
- Whole Foods
- Estee Lauder
- Ralph Lauren
- Macy's
- Salesforce

Employees at **Democratic / Republican** firms have increasing partisan homogeneity. Similar effects from executives to lower level employees.

Partisan Polarization (Party ID)

- Executives
- Managers
- ◆ Others
- ▲ All

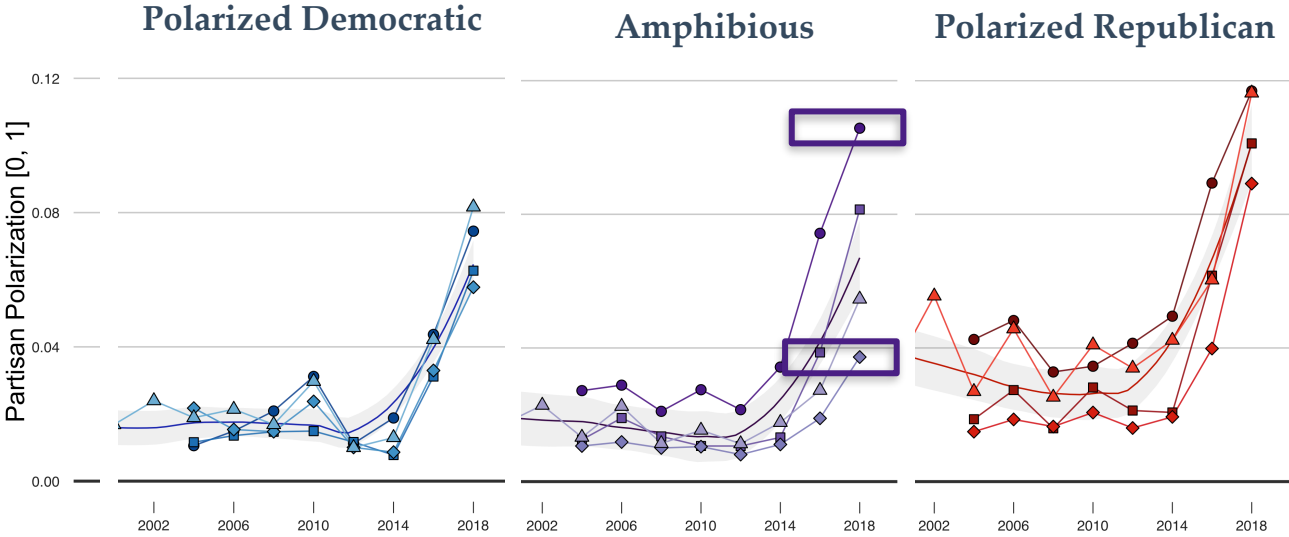


Employees at **Amphibious** firms have increasing partisan homogeneity for executives

Large differences exist between executives and lower level employees.

Partisan Polarization (Party ID)

- Executives
- Managers
- ◆ Others
- ▲ All



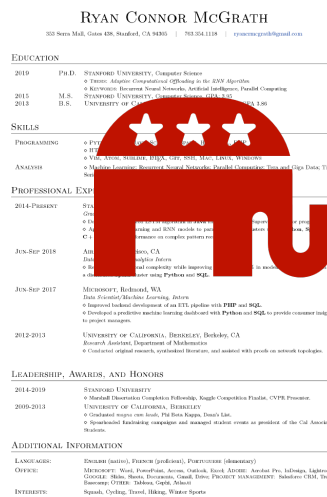
Chapter 3

Office Politics: How Affective Polarization and Partisan Homophily Alter Hiring Decisions

Is Partisanship Associated with Entry-Level Hiring?

Methods: Correspondence Audit Experiment

- Data Sources: Experiment, sending matched pairs of resumes and cover letters to employers combined with partisan data on firms
- Analysis: Bivariate analysis and logistic regression modeling



RYAN CONNOR MCGRATH
330 North Midway, Suite 404, Stanford, CA 94305 | 781.224.1114 | rmcgrath@stanford.edu

EDUCATION

Year	Field	Institution
2019	Ph.D.	STANFORD UNIVERSITY, Computer Science
2015	M.S.	UNIVERSITY OF CALIFORNIA, BERKELEY, Electrical Engineering and Computer Science
2013	B.S.	UNIVERSITY OF CALIFORNIA, BERKELEY, Statistics, GPA: 3.91

SKILLS

- Python
- R
- Machine Learning: SVM, Logistic Regression, Naïve Bayes, Decision Trees

PROFESSIONAL EXPERIENCE

Year	Position	Company
2014-Present	Staff Data Scientist	Mountain View, CA
Jul-Sep 2018	Analyst	Uber, San Francisco, CA
Jun-Sep 2017	Research Assistant	University of California, Berkeley
2012-2013	Research Assistant	University of California, Berkeley

LEADERSHIP, AWARDS, AND HONORS

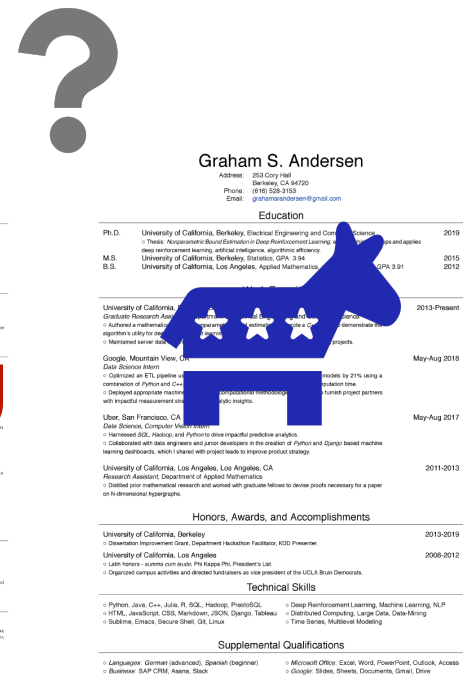
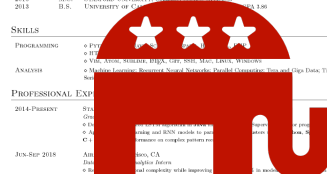
Year	Achievement
2014-2019	Stanford University Graduate Fellowship, Knight-Crippen Graduate Fellow, NSFPE Fellow
2009-2013	Stanford University Undergraduate Research Fellow, Stanford University Undergraduate Research Fellow

ADDITIONAL INFORMATION

LANGUAGES: English (native), French (intermediate), Portuguese (beginner)

OFFICE: Microsoft Word, PowerPoint, Access, Outlook, Excel, Adobe Acrobat Pro, Salesforce, Salesforce.com, Slack, Microsoft Dynamics, OneDrive, Project, Visio, Microsoft Teams

INTERESTS: Reading, Cooking, Travel, Hiking, Water Sports



Graham S. Andersen
Address: 253 Cory Hall, Berkeley, CA 94720
Phone: (415) 524-2153
Email: grahamandersen@gmail.com

Education

Ph.D.	Institution	Year
2019	University of California, Berkeley, Electrical Engineering and Computer Science	2019
2015	University of California, Berkeley, Statistics, GPA: 3.91	2015
2012	University of California, Los Angeles, Applied Mathematics, GPA: 3.91	2012

2013-Present


Position	Company
Graduate Research Assistant	University of California, Berkeley

2017-2019

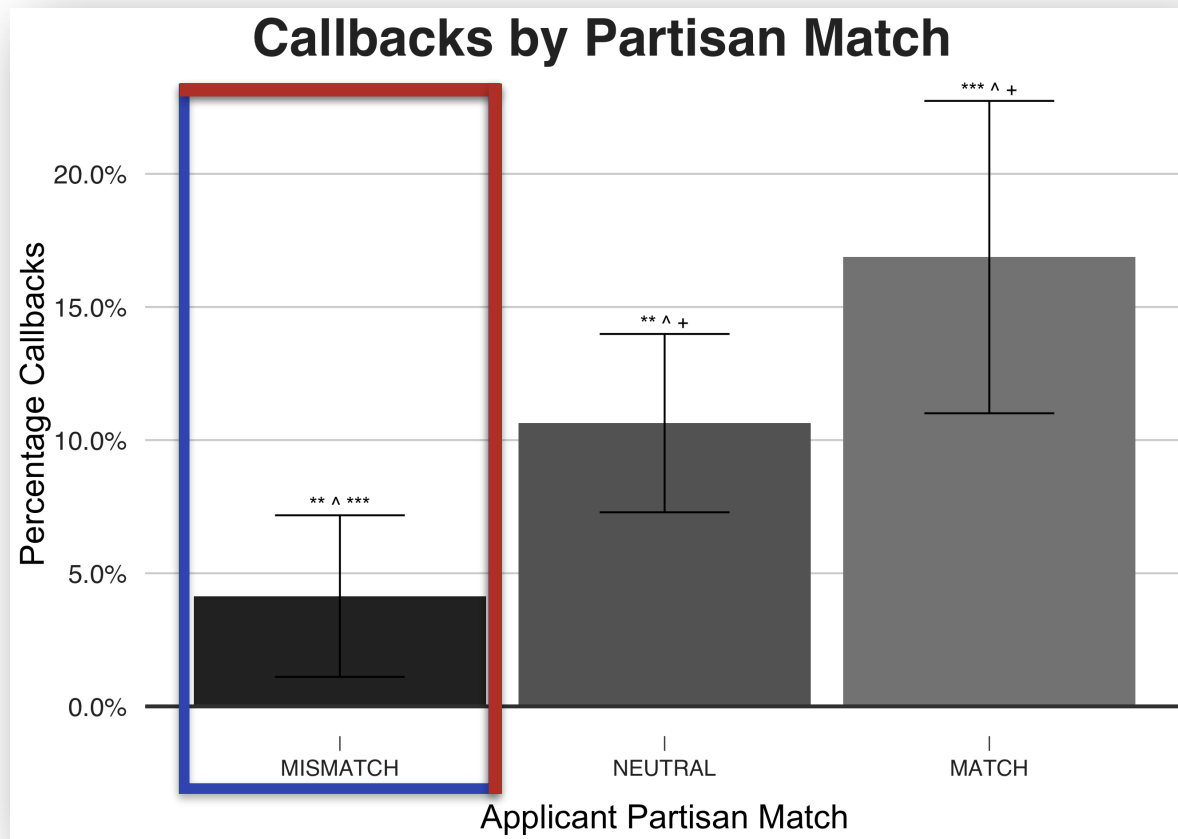
Position	Company
Staff Data Scientist	Google, Mountain View, CA

2017-2018

Position	Company
Analyst	Uber, San Francisco, CA

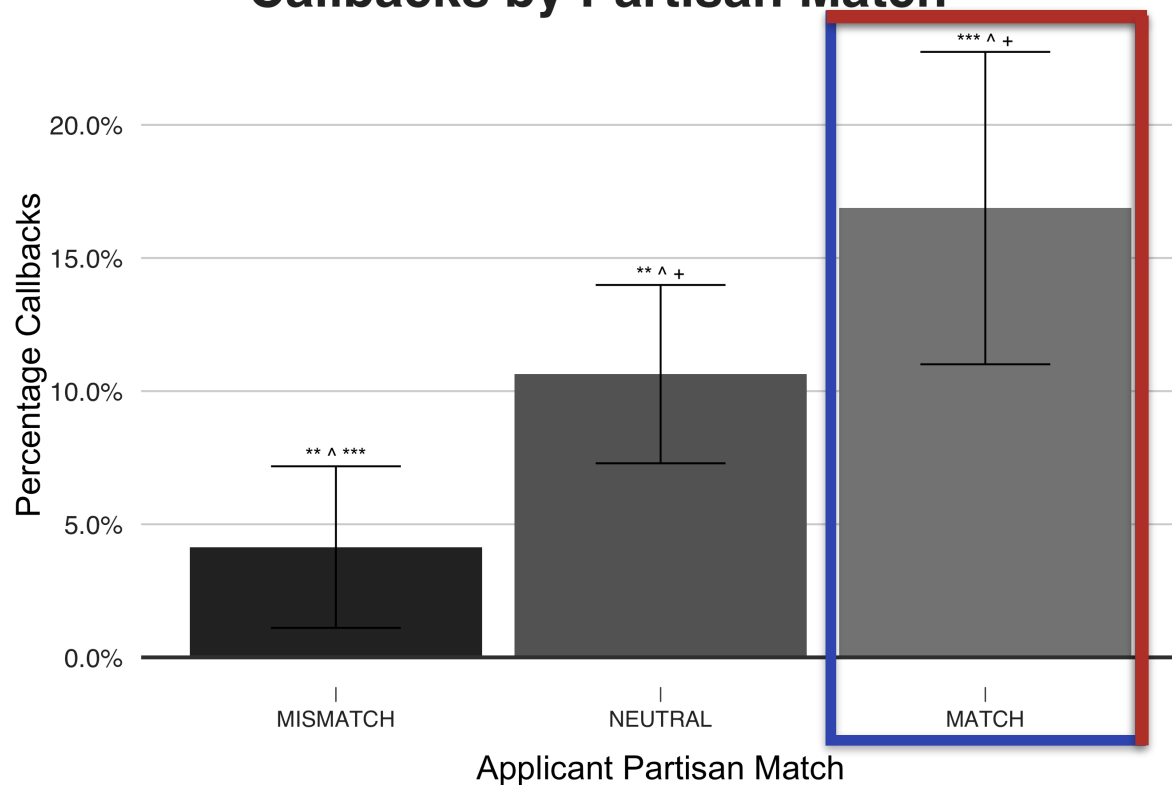


Affective Polarization: Opposing Partisans Less Likely to Receive Callbacks



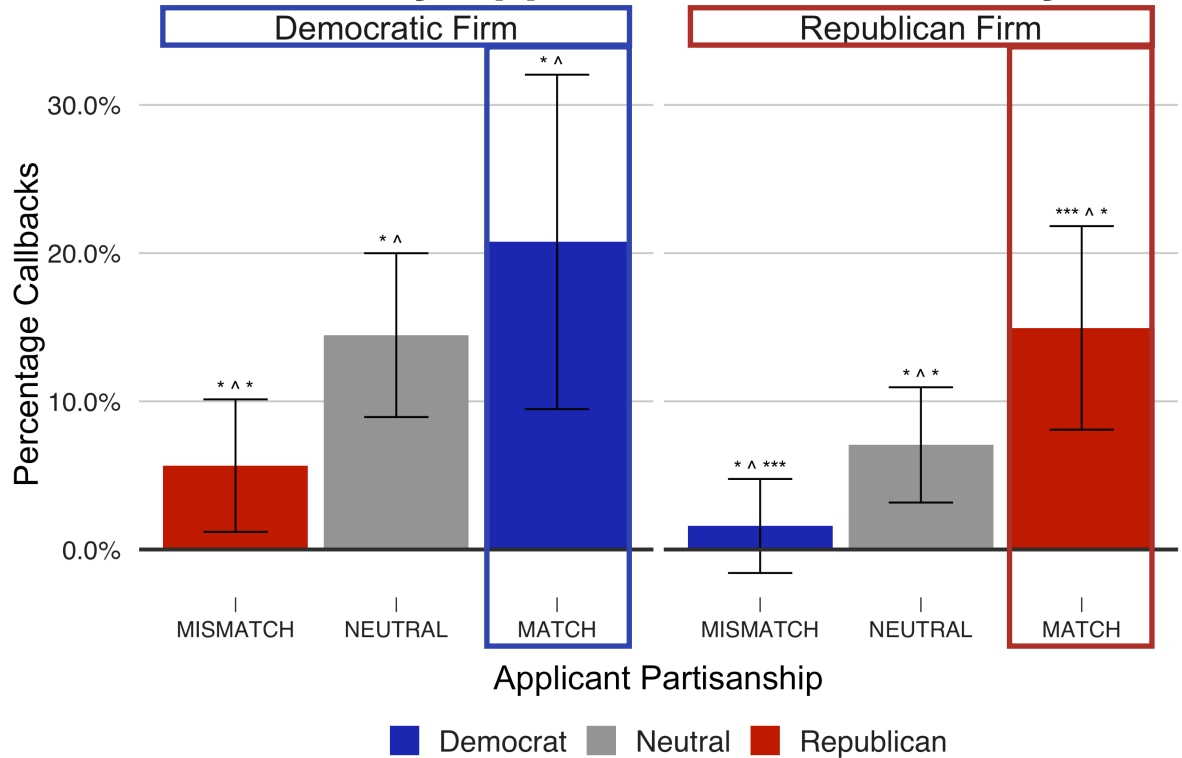
Partisan Homophily: Copartisans More Likely to Receive Callbacks

Callbacks by Partisan Match

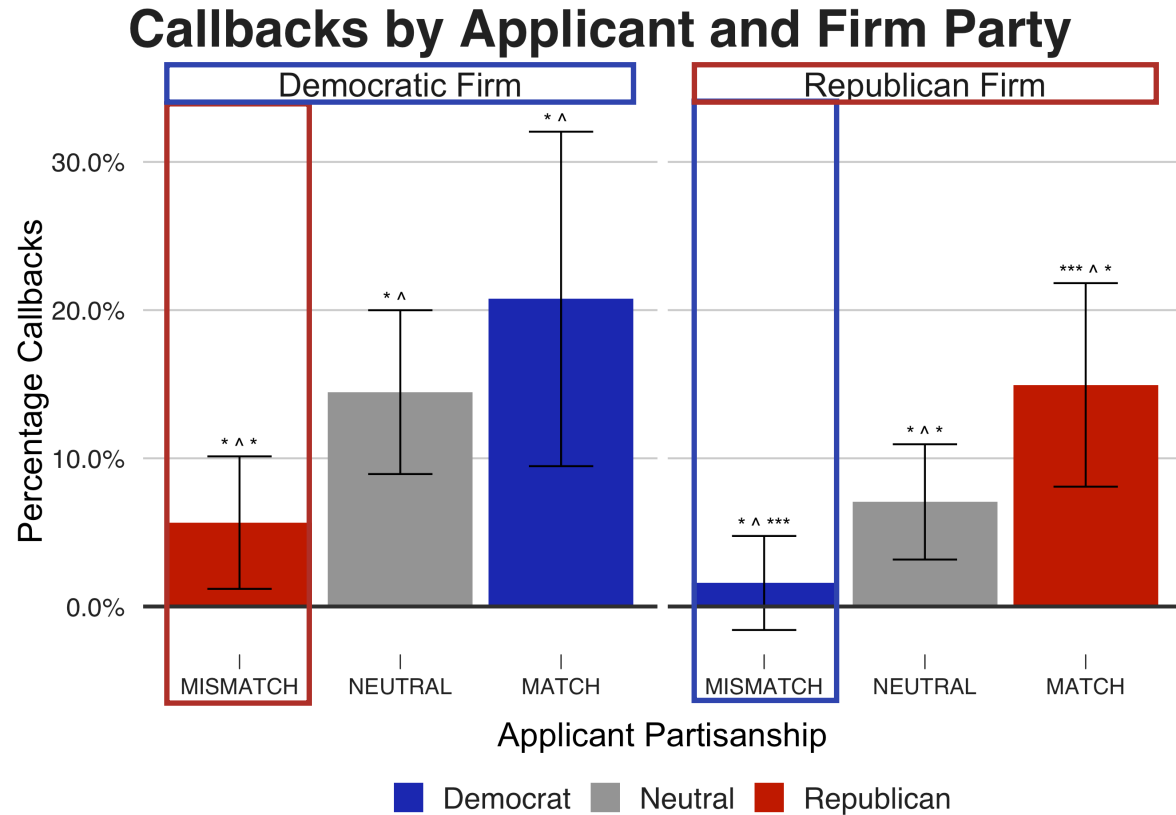


Copartisans Are More Likely to Receive Callbacks

Callbacks by Applicant and Firm Party



Opposing Partisans Are Less Likely to Receive Callbacks



Both Affective Polarization and Partisan Homophily Have Significant Effects Compared to Neutral Applicants

	Pr{Applicant Receives Callback}			
	(1)	(2)	(3)	(4)
<i>Applicant Partisan Matching</i>				
Mismatched Partisan	0.328**	0.330**	0.322**	0.320**
Matched Partisan	1.915*	1.900*	1.974*	1.966*

(Ref: Neutral Applicant)

An Even Greater Effect is Seen When Examining the Difference between Opposing Partisans and Copartisans

	Pr{Applicant Receives Callback}			
	(1)	(2)	(3)	(4)
<i>Applicant Partisan Matching</i>				
Mismatched Partisan	0.171***	0.173***	0.163***	0.163***
Neutral Applicant (Ref: Matched Partisan)	0.522*	0.526*	0.507*	0.509*

Chapter 4

Party in the Boardroom: The Role of Affective Polarization in Corporate Board Appointments

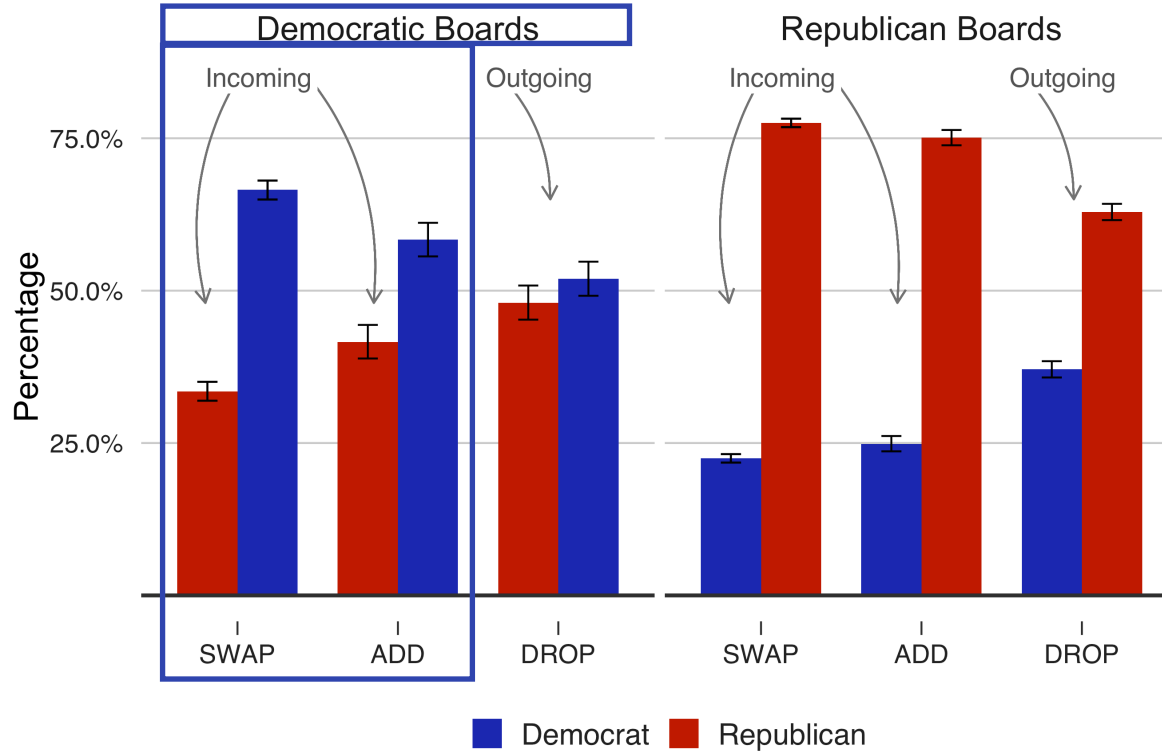
Is Partisanship Associated with Corporate Board Appointments?

Methods: Longitudinal Board Analysis

- Data Sources: ISS Risk Metrics Board Composition Data, FEC - Corporate Politics Data (CH2), DIME - AOI Data (Bonica 2016)
- Analysis: Bivariate figures and Cross-classified Random Effects Logistic Regression Models

Democratic Boards More Likely to Appoint Democrats

Incoming and Outgoing Board Members



Democrats More Likely Appointed by Democratic Boards

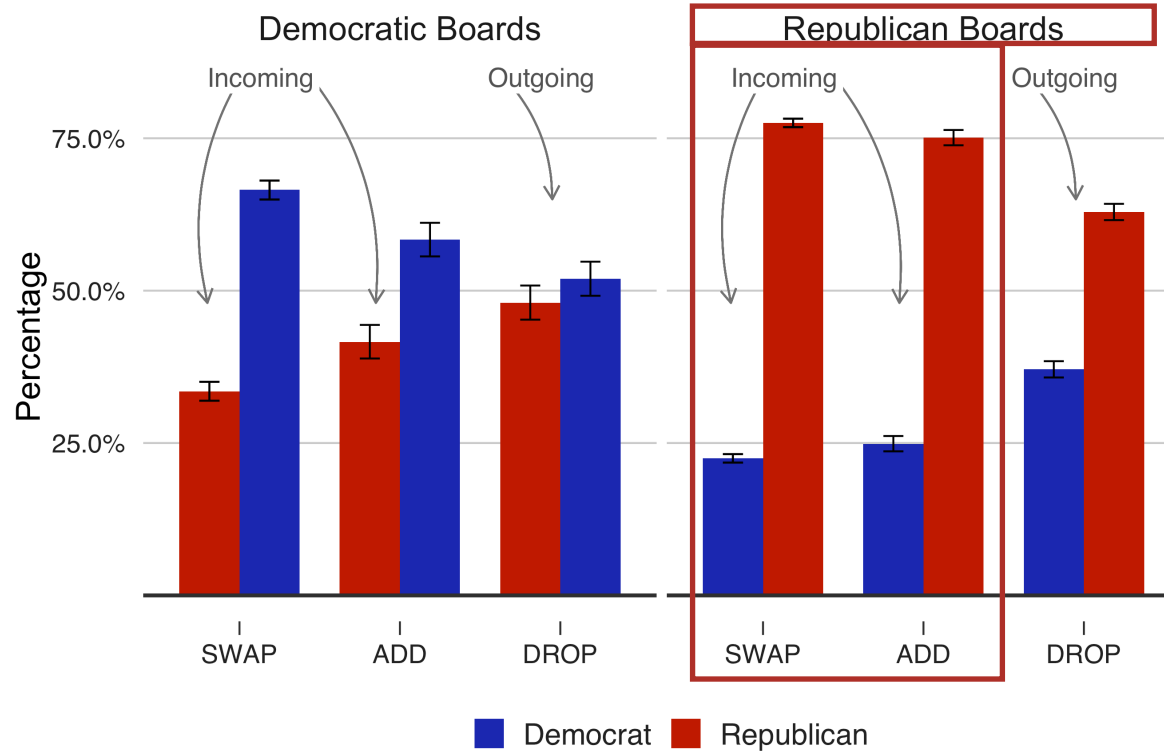
	(1)	(2)	(3)	(4)
		Pr{New Board Member: Democrat}		
<i>Boards and Firm Politics</i>				
Board Member Added	0.791***	0.788***	0.742***	0.740***
Board Member Equal Swap	0.584***	0.583***	0.590***	0.596***
Democratic Board	4.180***	4.071***	3.967***	3.848***
Democratic Firm			1.176	1.151
Republican Firm			0.596	0.723

Republicans Less Likely Appointed by Democratic Boards

	(1)	(2)	(3)	(4)
<i>Boards and Firm Politics</i>				
Board Member Added	1.264***	1.269***	1.349***	1.352***
Board Member Equal Swap	1.713***	1.716***	1.696***	1.678***
Democratic Board	0.239***	0.246***	0.252***	0.260***
Democratic Firm			0.851	0.869
Republican Firm			1.678	1.383

Republican Boards More Likely to Appoint Republicans

Incoming and Outgoing Board Members



Republicans More Likely Appointed by Republican Boards

	Pr{New Board Member: Republican}			
	(1)	(2)	(3)	(4)
<i>Boards and Firm Politics</i>				
Board Member Added	1.264***	1.269***	1.349***	1.352***
Board Member Equal Swap	1.713***	1.716***	1.696***	1.678***
Republican Board	4.180***	4.071***	3.967***	3.848***
Democratic Firm			0.851	0.869
Republican Firm			1.678	1.383

Democrats Less Likely Appointed by Republican Boards

		Pr{New Board Member: Democrat}		
	(1)	(2)	(3)	(4)
<i>Boards and Firm Politics</i>				
Board Member Added	0.791***	0.788***	0.742***	0.740***
Board Member Equal Swap	0.584***	0.583***	0.590***	0.596***
Republican Board	0.239***	0.246***	0.252***	0.260***
Democratic Firm			1.176	1.151
Republican Firm			0.596	0.723

Conclusions

Individuals Are Experiencing Partisan Echo Chambers at Work

- Within firms, individuals are increasingly likely to work with copartisans than opposing partisans.
- Partisan homogeneity within firms has been increasing.
- Firms are becoming more distinct from firms of the opposing party.

Partisanship, Especially Affective Polarization Alters Careers

- Entry-level hiring is shaped by matching with firm partisanship. Copartisans are more likely to receive callbacks than opposing partisans.
- Corporate boards also favor copartisans over opposing partisans.
- **Partisanship shapes who is welcome to enter the partisan firm.**



THE UNIVERSITY OF
CHICAGO

Thank You



Joshua Gary Mausolf
The University of Chicago

jmausolf@uchicago.edu

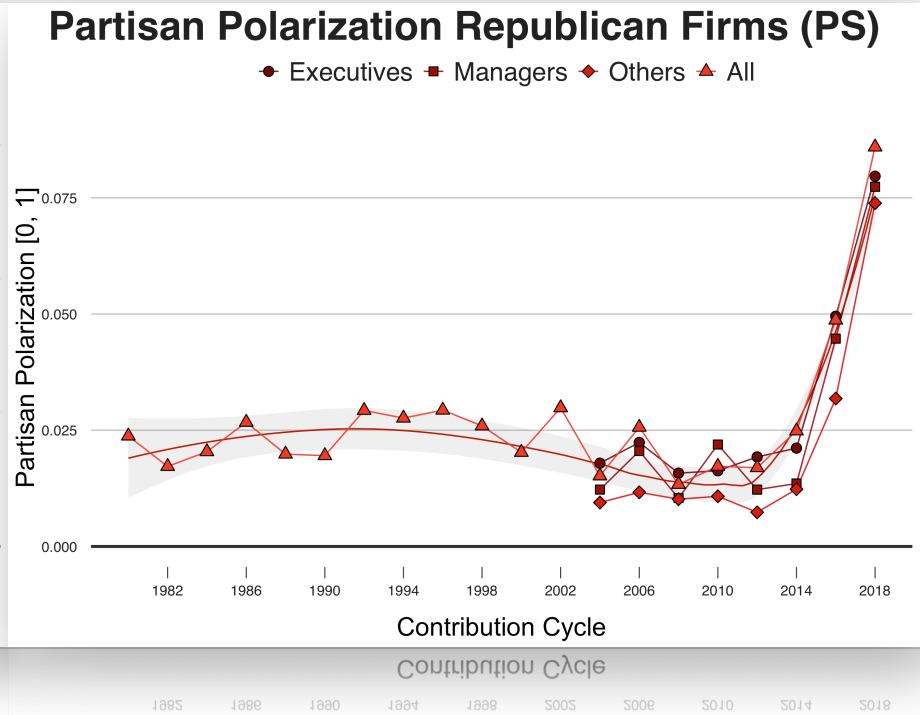
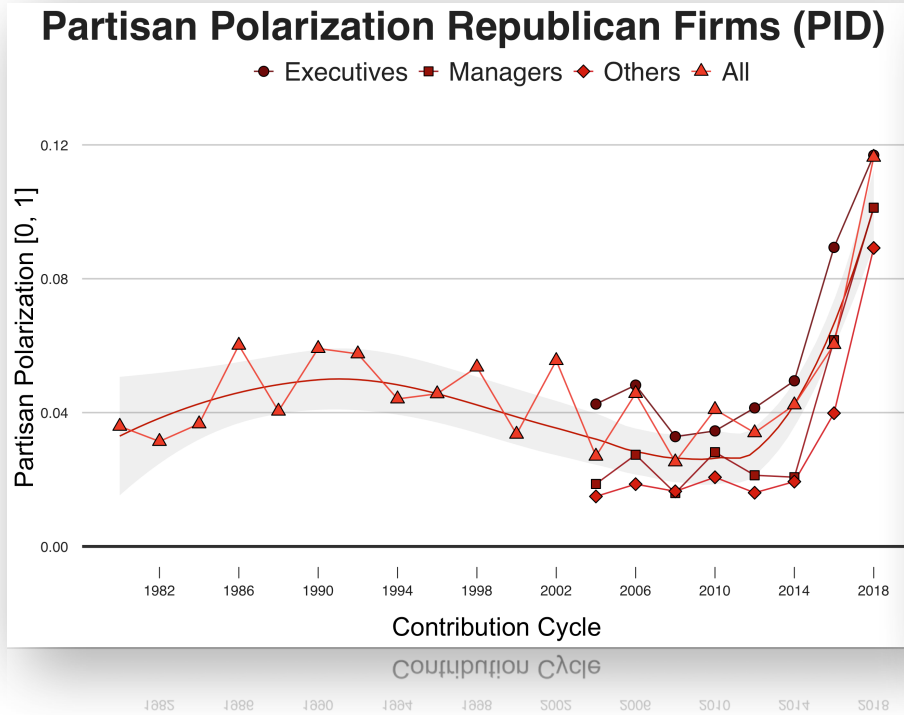
jmausolf.github.io

Partisan Polarization: Republican Firms

Dynamic Time Warping, Agnes-Ward Model 1980-2018 with Post-Model Partisan Validation

Partisan Polarization (Party ID)

Partisan Polarization (Partisan Score)

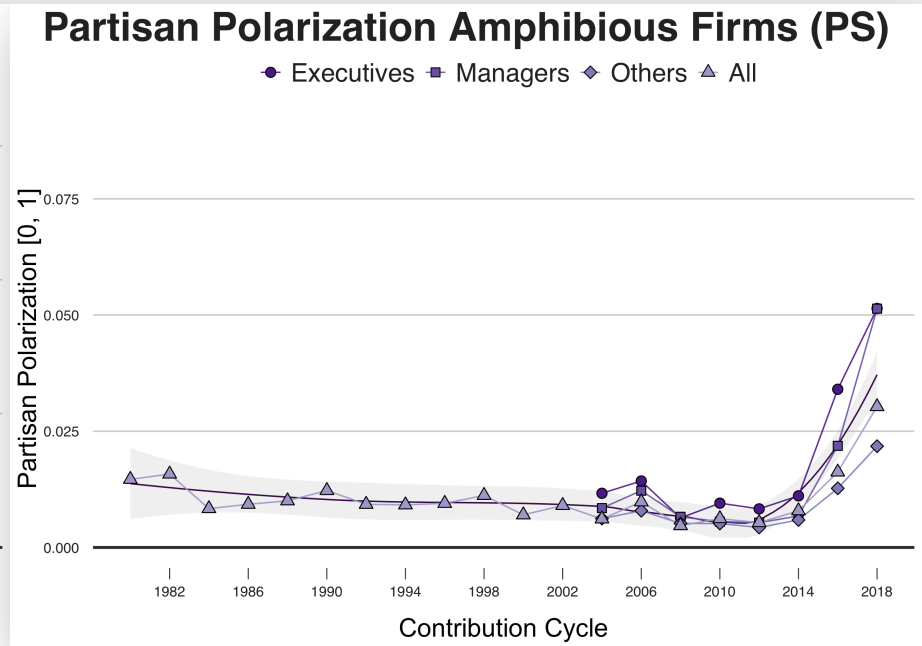
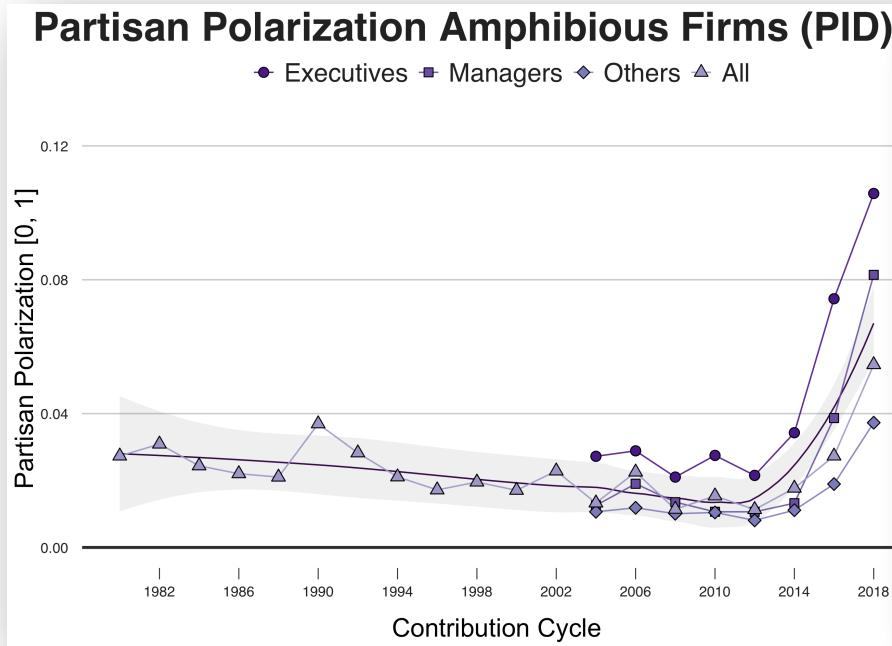


Partisan Polarization: Amphibious Firms

Dynamic Time Warping, Agnes-Ward Model 1980-2018 with Post-Model Partisan Validation

Partisan Polarization (Party ID)

Partisan Polarization (Partisan Score)

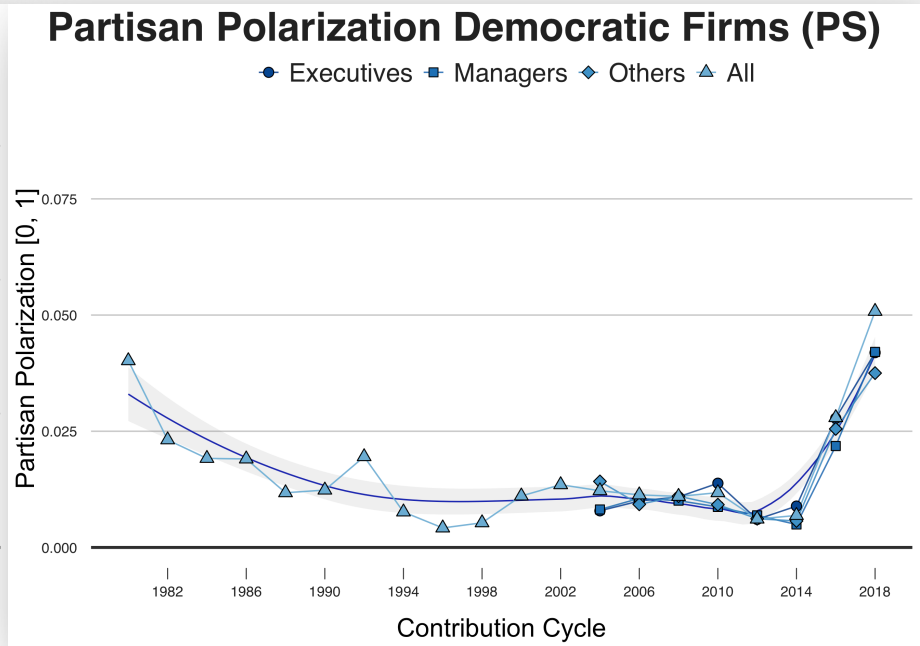
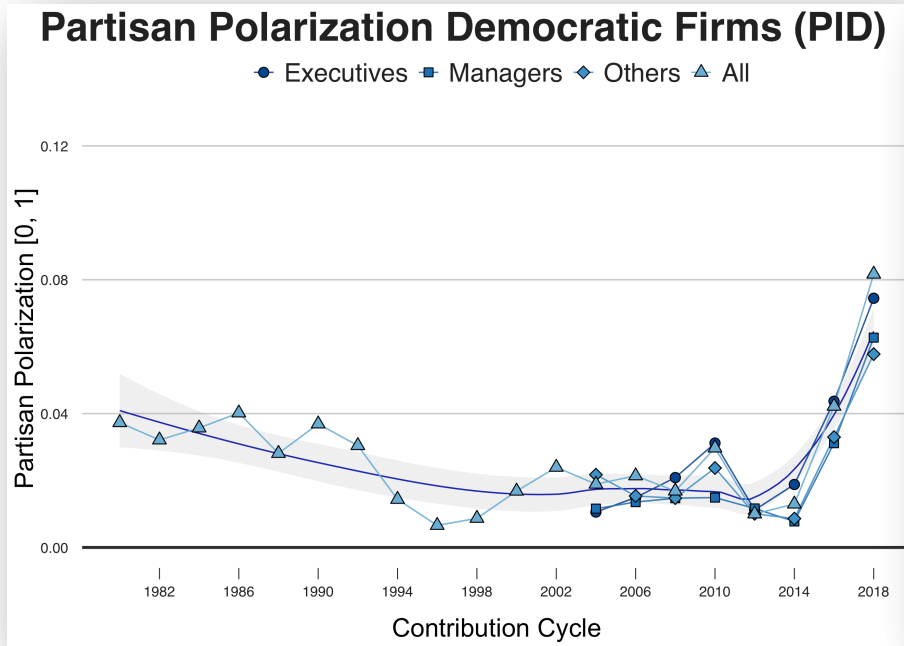


Partisan Polarization: Democratic Firms

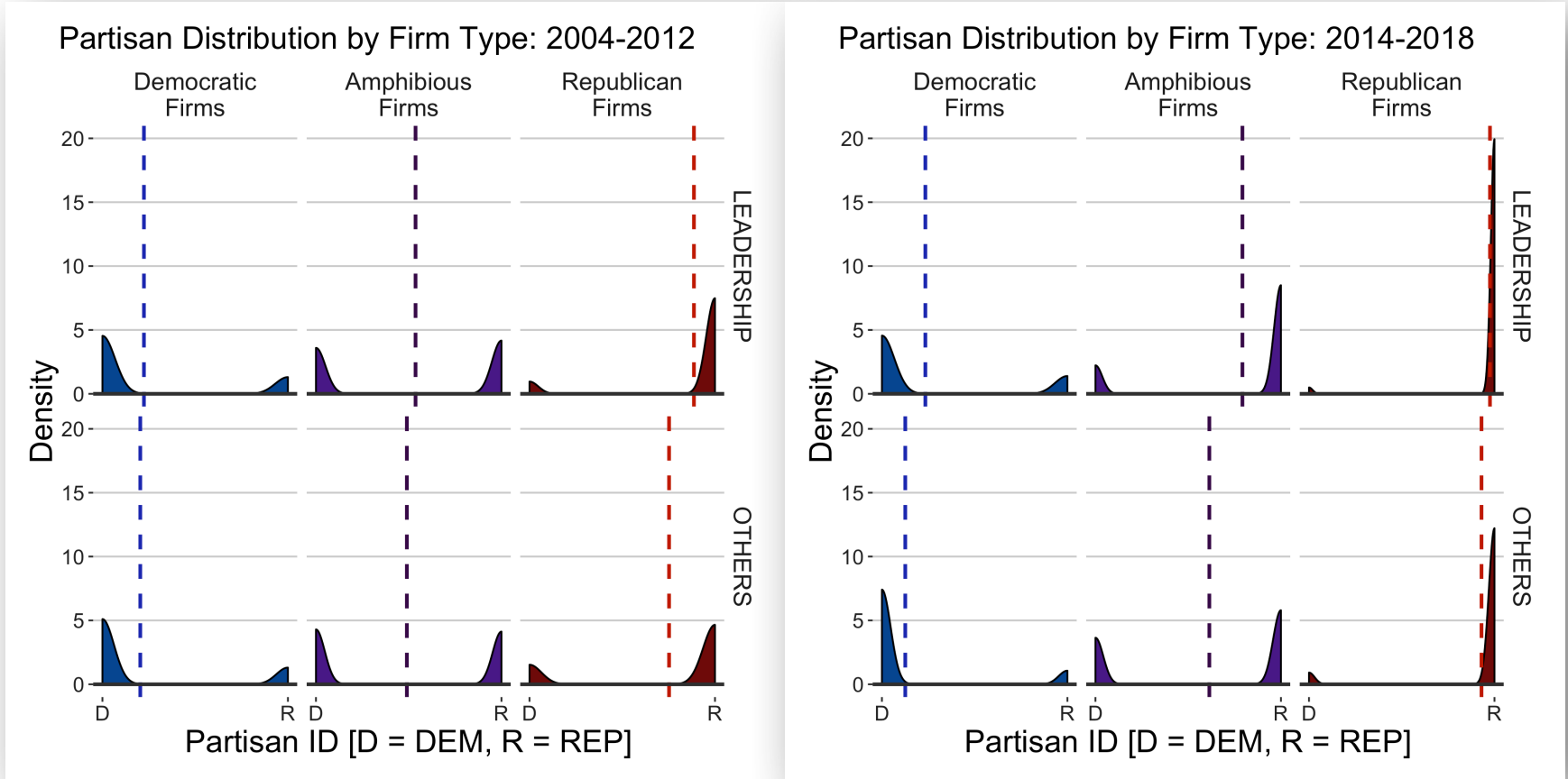
Dynamic Time Warping, Agnes-Ward Model 1980-2018 with Post-Model Partisan Validation

Partisan Polarization (Party ID)

Partisan Polarization (Partisan Score)

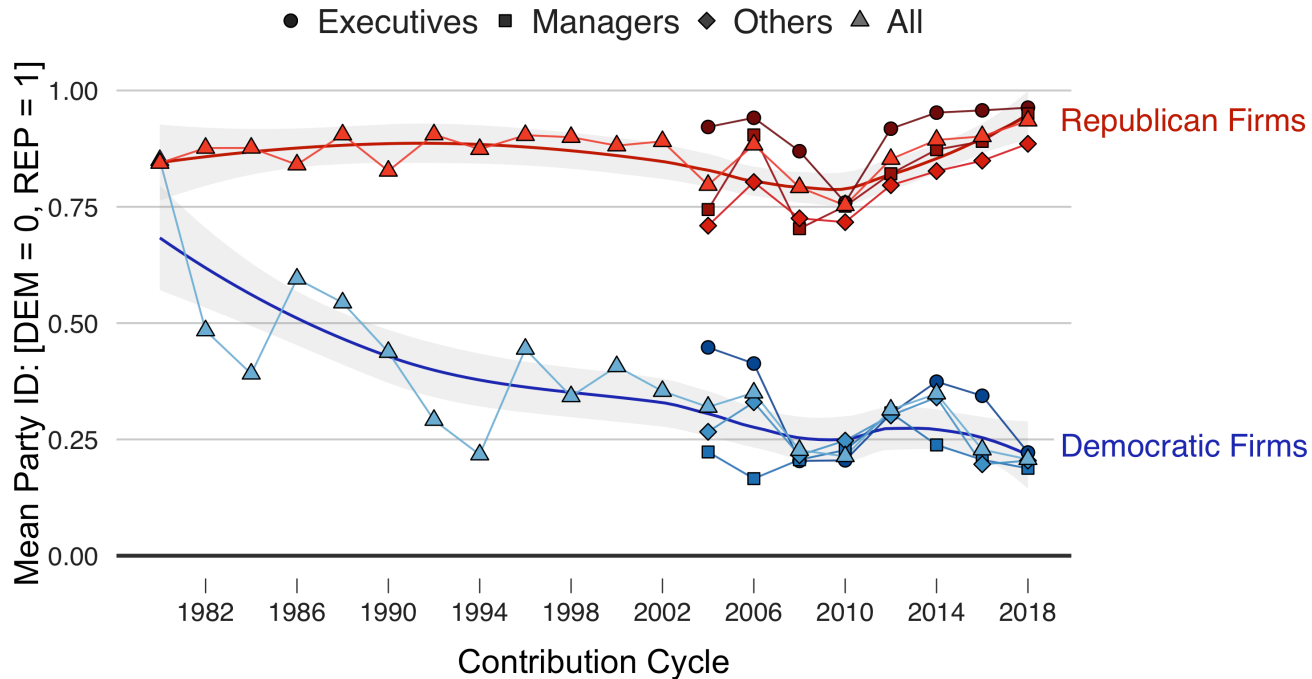


Comparing Partisan Polarization by Firm Type and Hierarchy



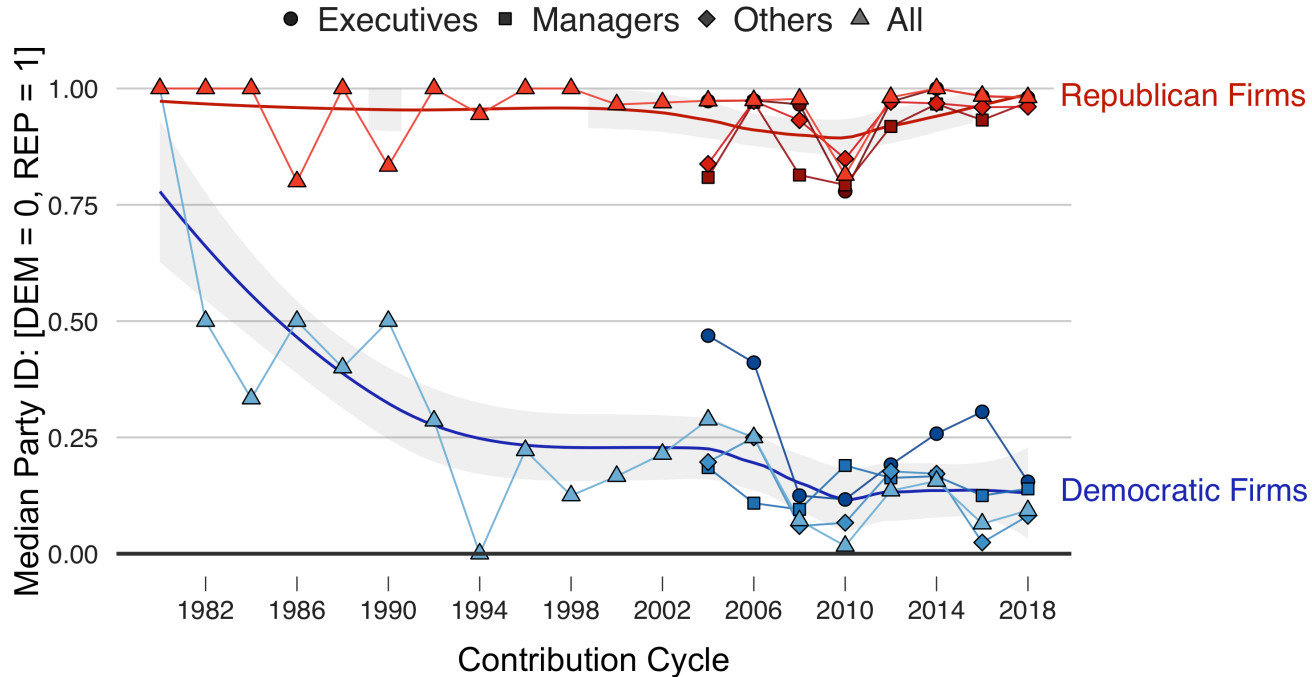
Growing Partisan Polarization Between Firms

Republican vs. Democratic Firms - Mean Partisanship (PID)

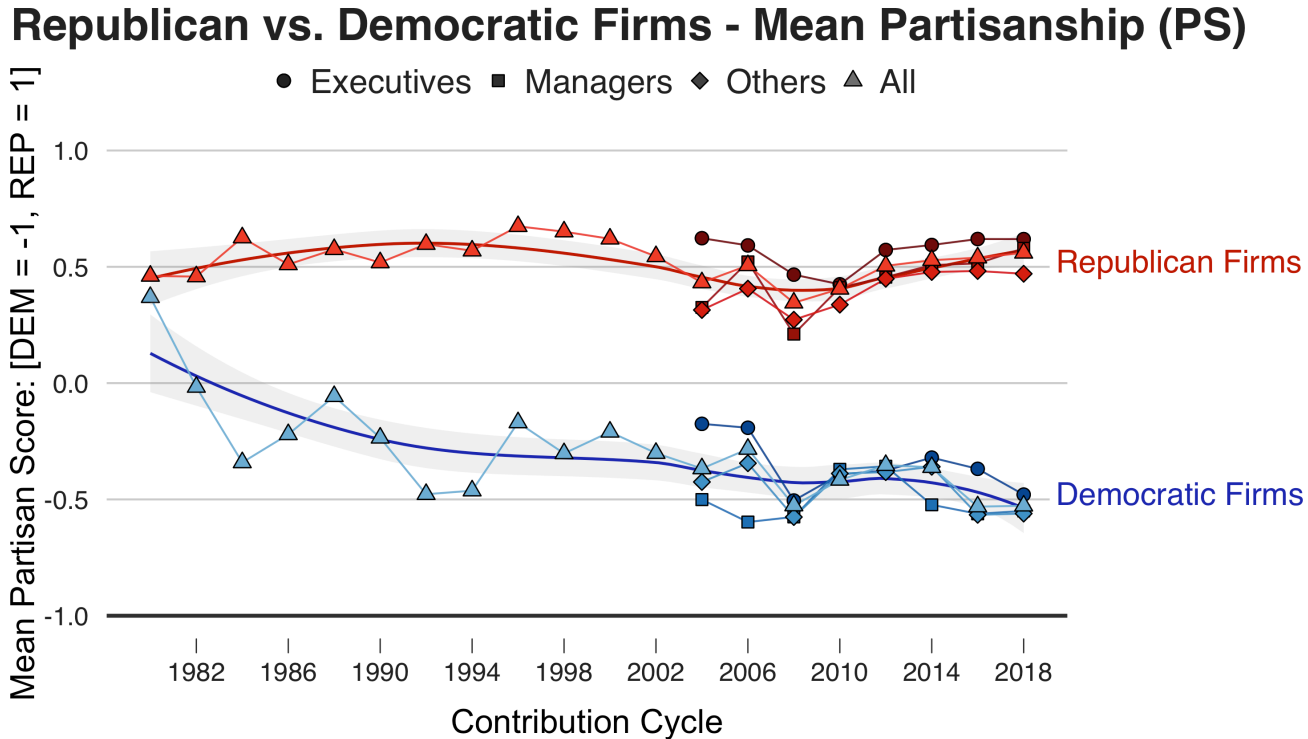


Growing Partisan Polarization Between Firms

Republican vs. Democratic Firms - Median Partisanship (PID)

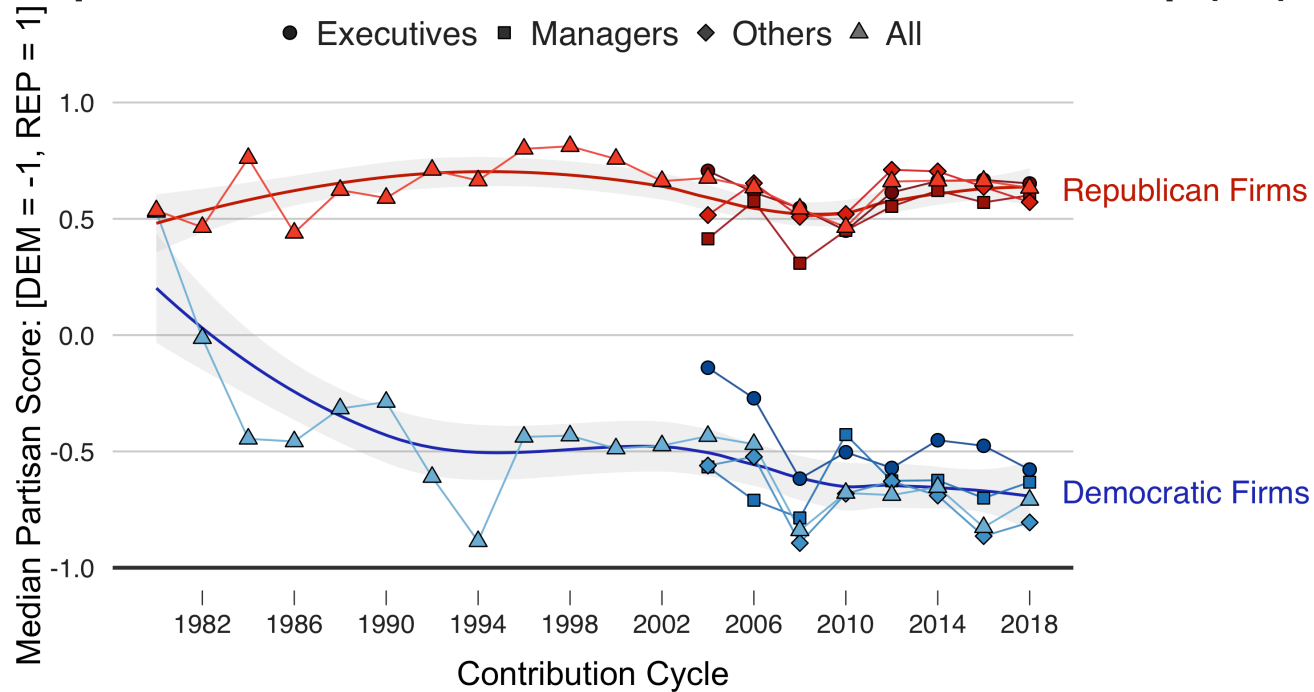


Growing Partisan Polarization Between Firms

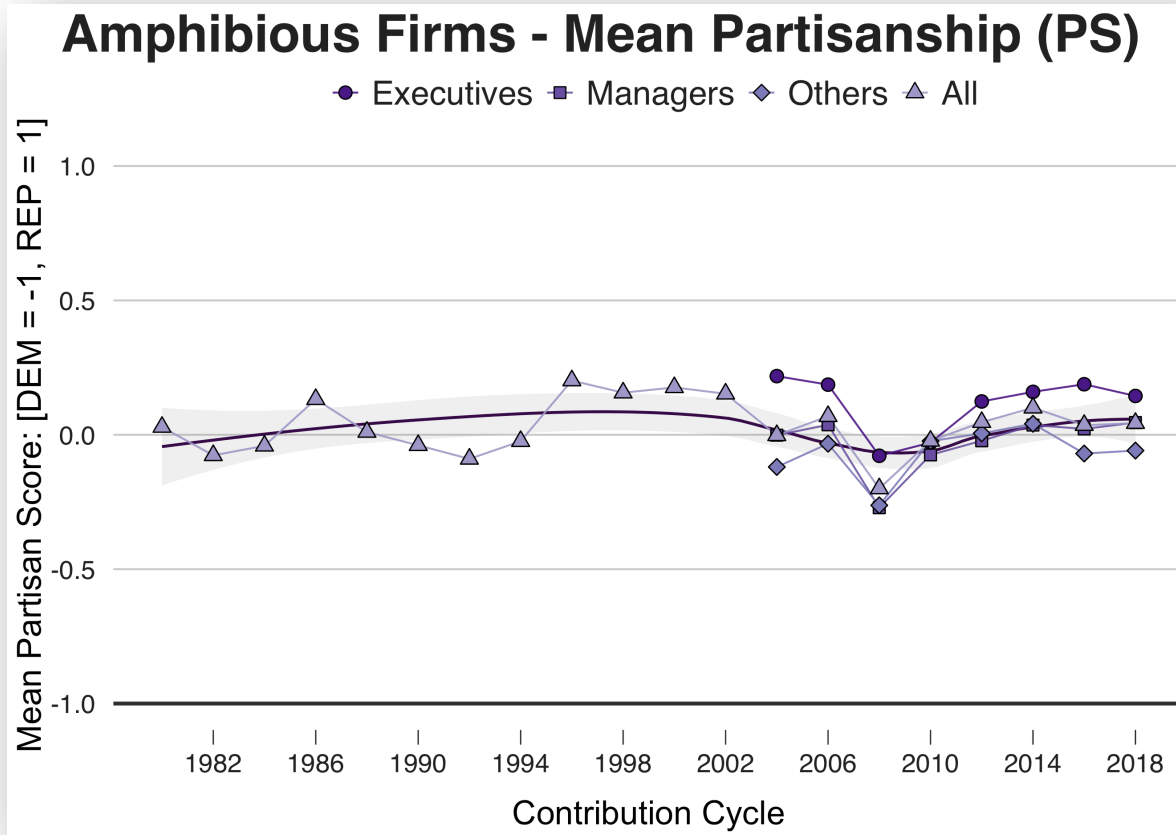


Growing Partisan Polarization Between Firms

Republican vs. Democratic Firms - Median Partisanship (PS)



Growing Partisan Polarization Between Firms



Data for Fortune 100 Companies

Data for Filtered Fortune 100 Companies, Post Quality Control (ETL) 1980-2018

Data Level	Total Observations	Years Covered
Individual Contributions	2,709,772	1980-2018
Individuals x Firm x Election Cycle	396,502	1980-2018
Firms	106	1980-2018

Hierarchical Clustering Algorithm Selection

HCA Used To Study Organizational Emergence (Powell and Sandholtz 2012)

HCA Evaluation, 1980-2002

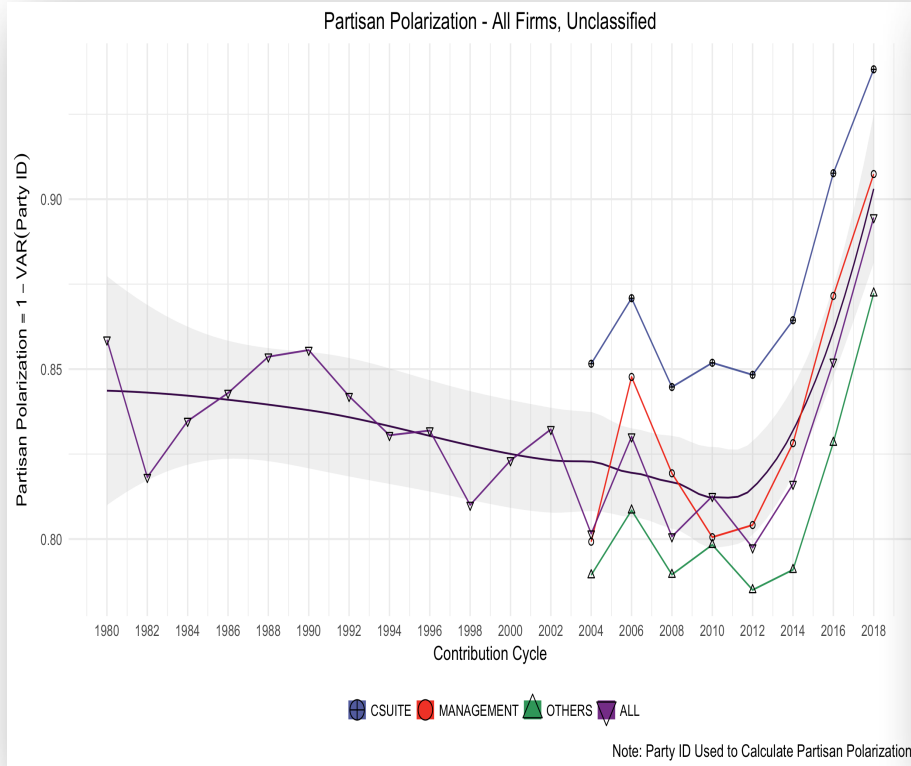
Model, Method	Coefficient
DIANNA	0.65
AGNES, UNGMA	0.53
AGNES, WPGMA	0.57
AGNES, Single Linkage	0.49
AGNES, Complete Linkage	0.67
AGNES, Ward's Method	0.84

HCA Evaluation, 2004-2018

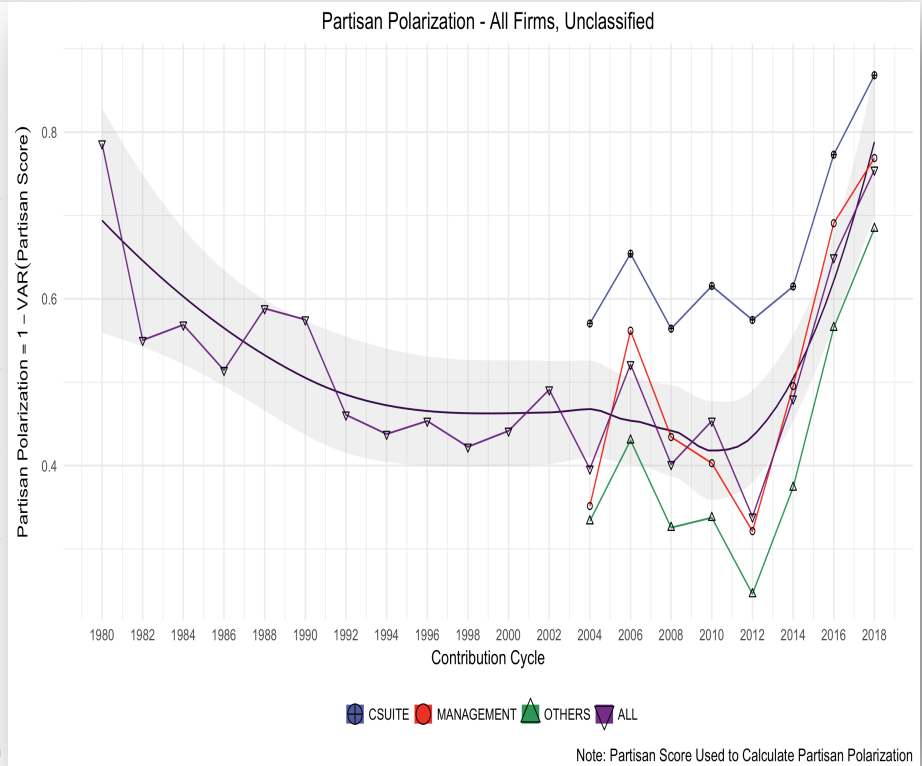
Model, Method	Coefficient
DIANNA	0.67
AGNES, UNGMA	0.49
AGNES, WPGMA	0.54
AGNES, Single Linkage	0.45
AGNES, Complete Linkage	0.70
AGNES, Ward's Method	0.88

Partisan Polarization (Using Variance) in Fortune 100 Firms, 1980-2018

Partisan Polarization (Party ID)



Partisan Polarization (Partisan Score)

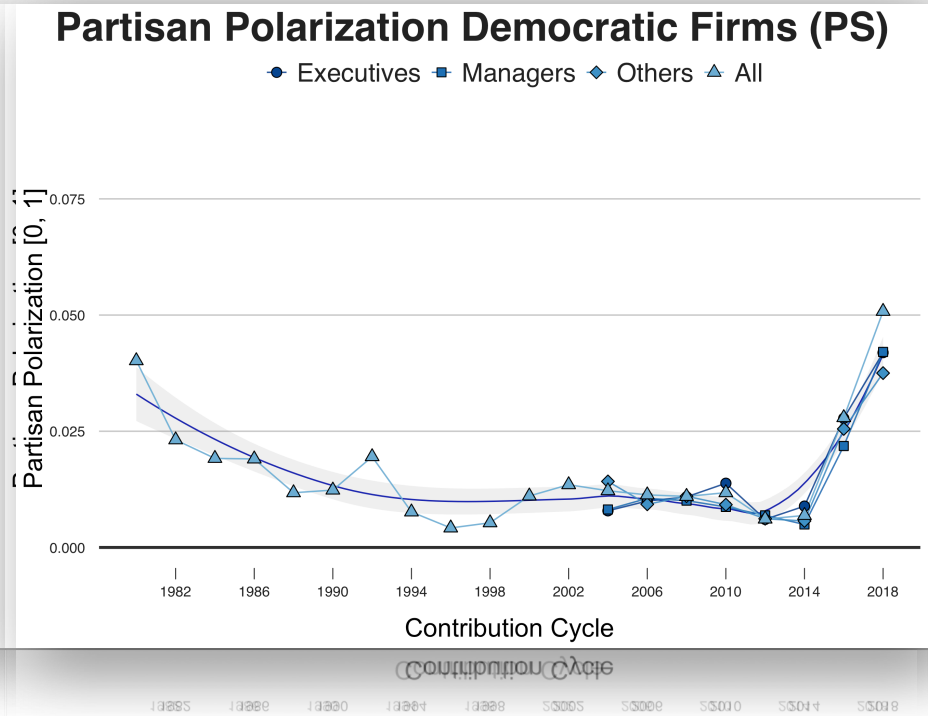
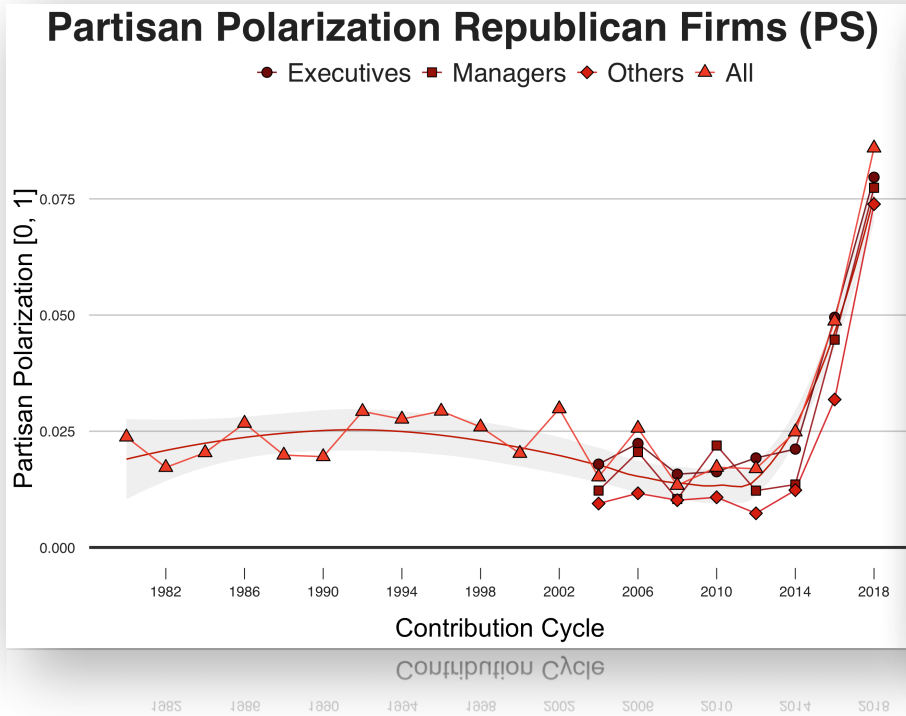


Explaining the Rise in Partisan Polarization

Activation of Partisanship Starting 2014-2016?

Republican Polarization (Partisan Score)

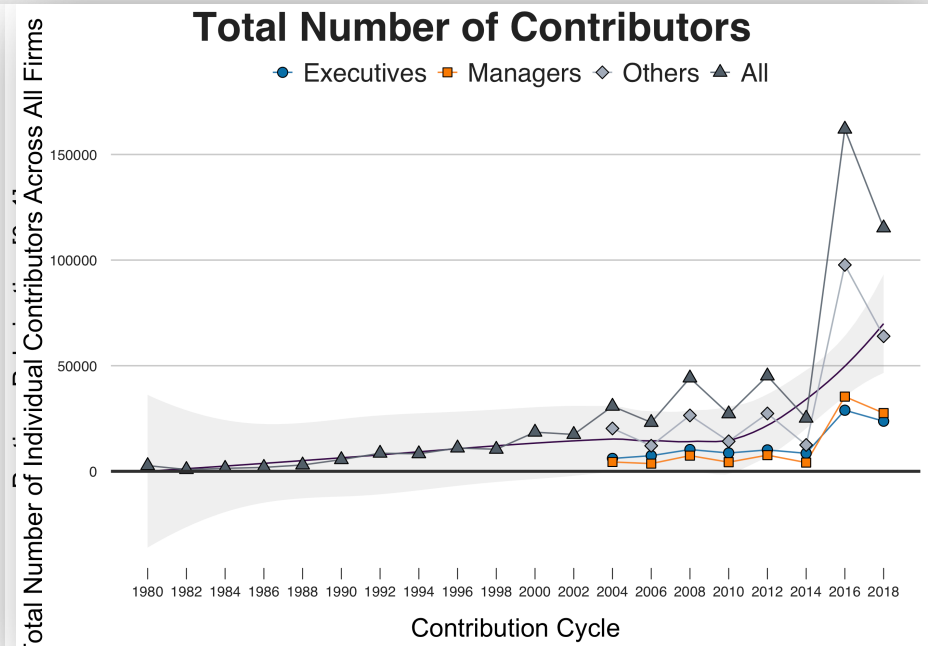
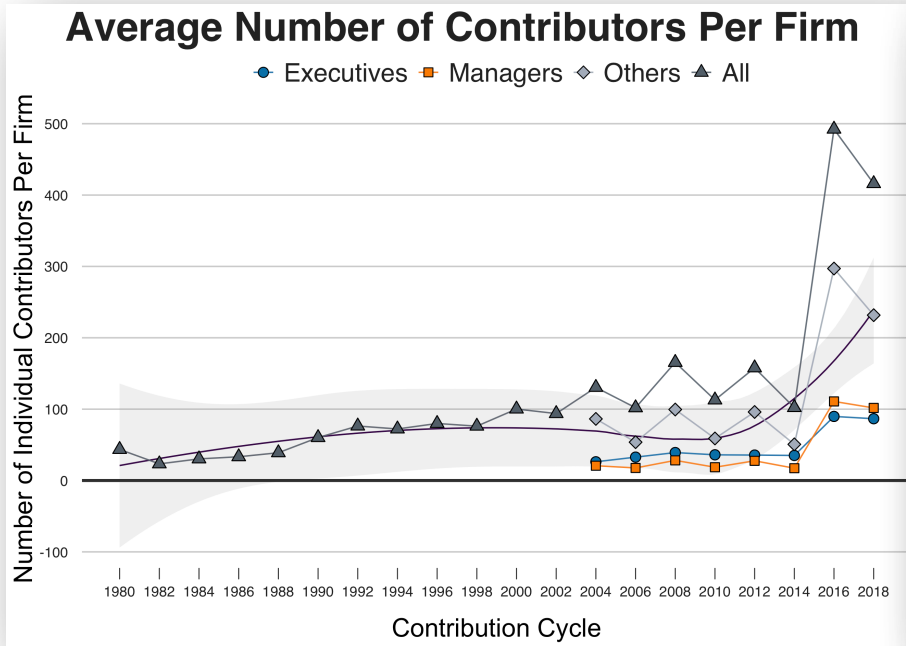
Democrat Polarization (Partisan Score)



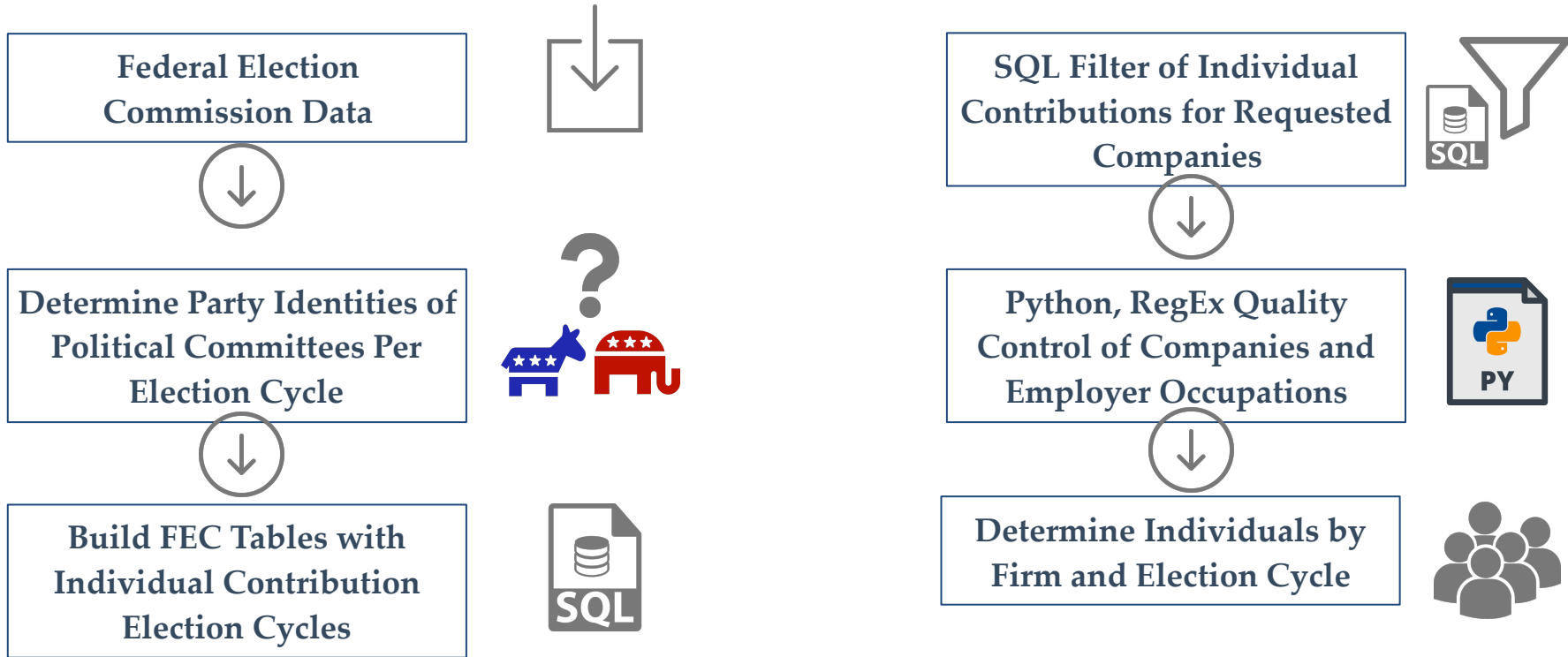
Activation of Partisanship Starting 2014-2016?

Average Individuals Per Firm

Total Individual Contributors



ETL Pipeline Python and SQLite



All FEC Data Collected

Table 1. Descriptive Statistics of FEC Data Tables, 1980-2018

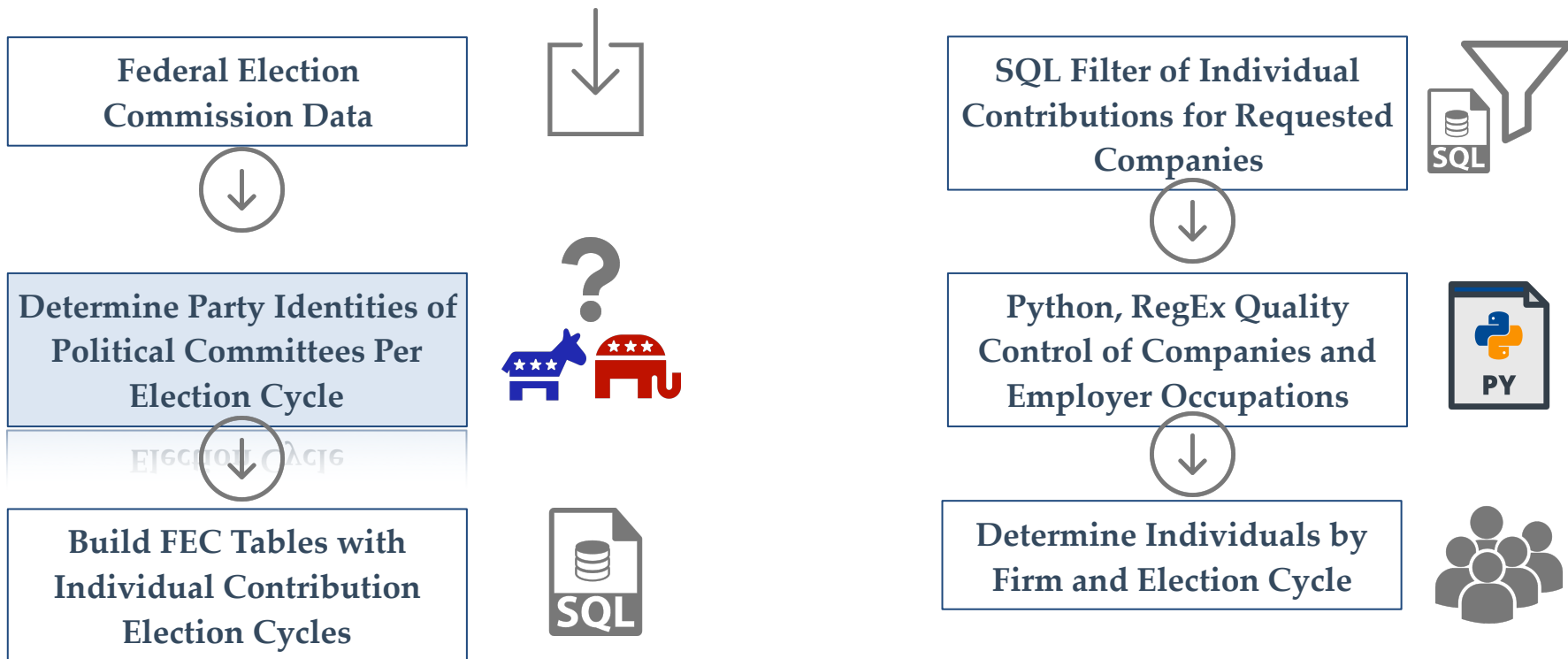
FEC Table	Total Observations	Years Covered
Committees	218,482	1980-2018
Candidates	95,807	1980-2018
Linkages	50,775	2000-2018
Itemized Records	9,584,743	1980-2018
Contributions to Candidates	5,122,434	1980-2018
Individual Contributions	54,314,410	1980-2018
Operating Expenditures	10,677,8490	1980-2018

Primary FEC Tables Used

Table 1. Descriptive Statistics of FEC Data Tables, 1980-2018

FEC Table	Total Observations	Years Covered
Committees	218,482	1980-2018
Candidates	95,807	1980-2018
Linkages	50,775	2000-2018
Itemized Records	9,584,743	1980-2018
Contributions to Candidates	5,122,434	1980-2018
Individual Contributions	54,314,410	1980-2018
Operating Expenditures	10,677,8490	1980-2018

ETL Pipeline Python and SQLite



What Party is Associated with an Individual Contribution?

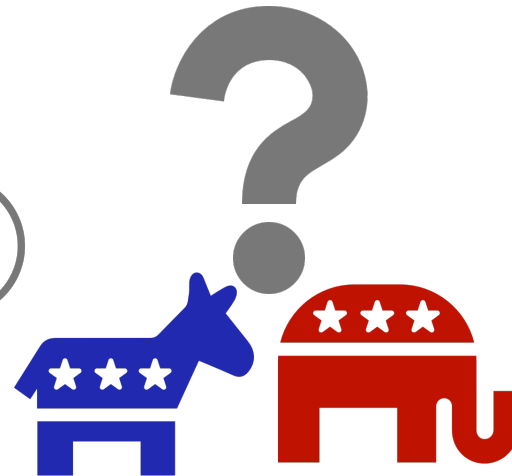
Individual Contributions



Political Committee

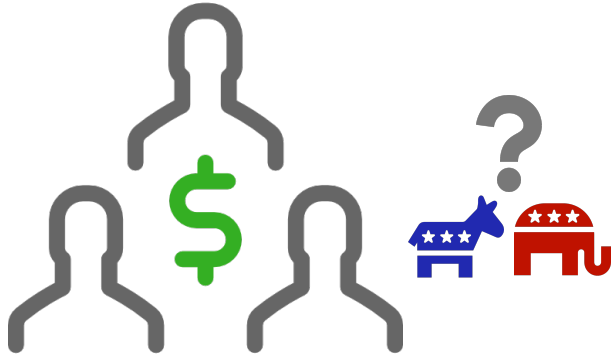


Partisanship



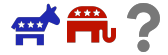
Determining the Partisan Profile of a Political Committee

Political Committee

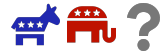


FEC Data Sources

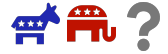
1. Committee Party Affiliation



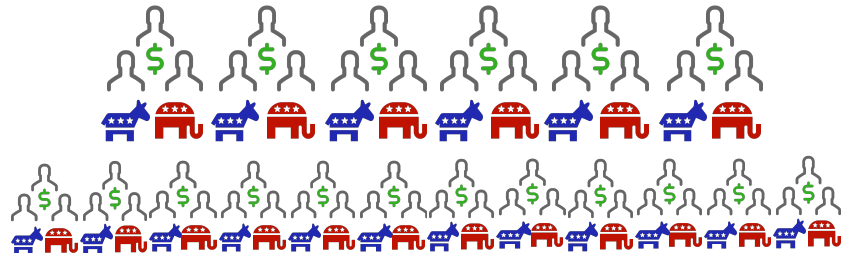
2. Candidate Party Affiliation



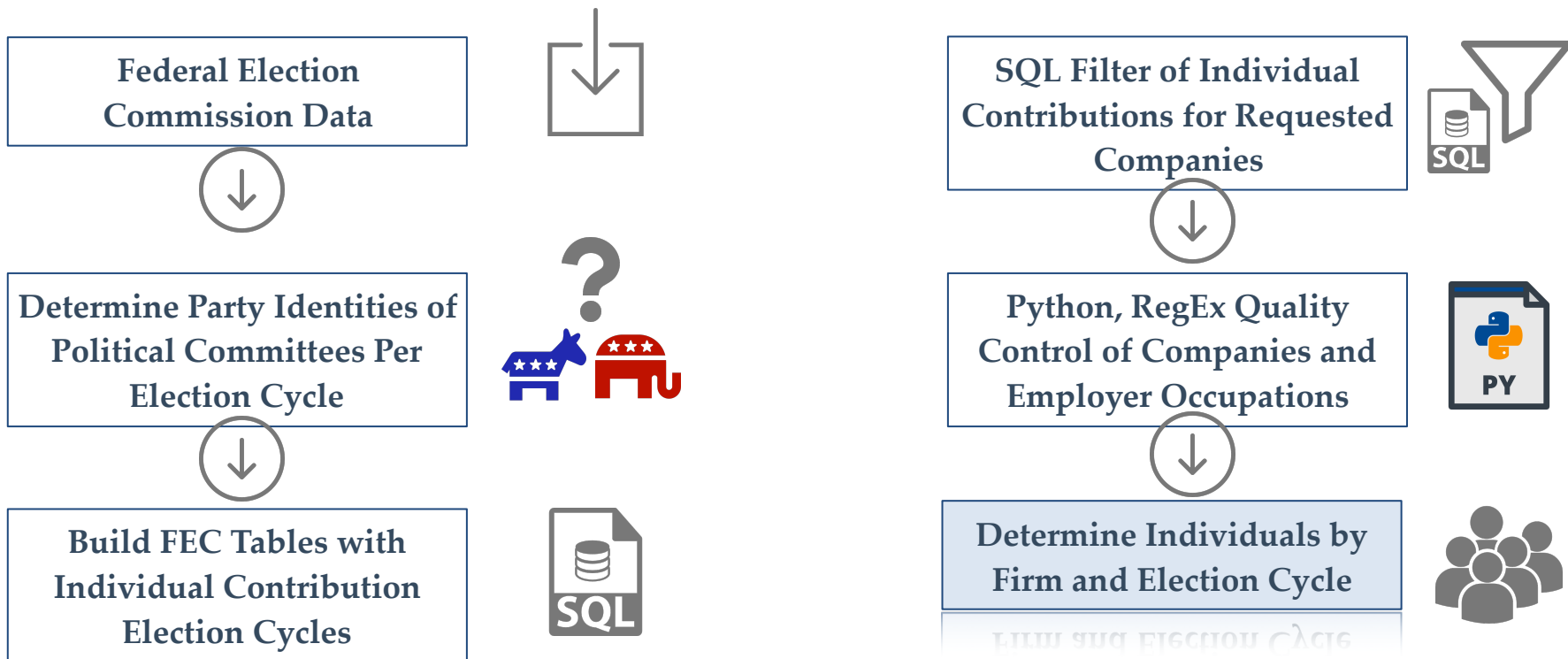
3. Itemized Contributions to Other Committees



{repeat steps 1-3 for each itemized committee}



ETL Pipeline Python and SQLite



Data for Fortune 400 Companies

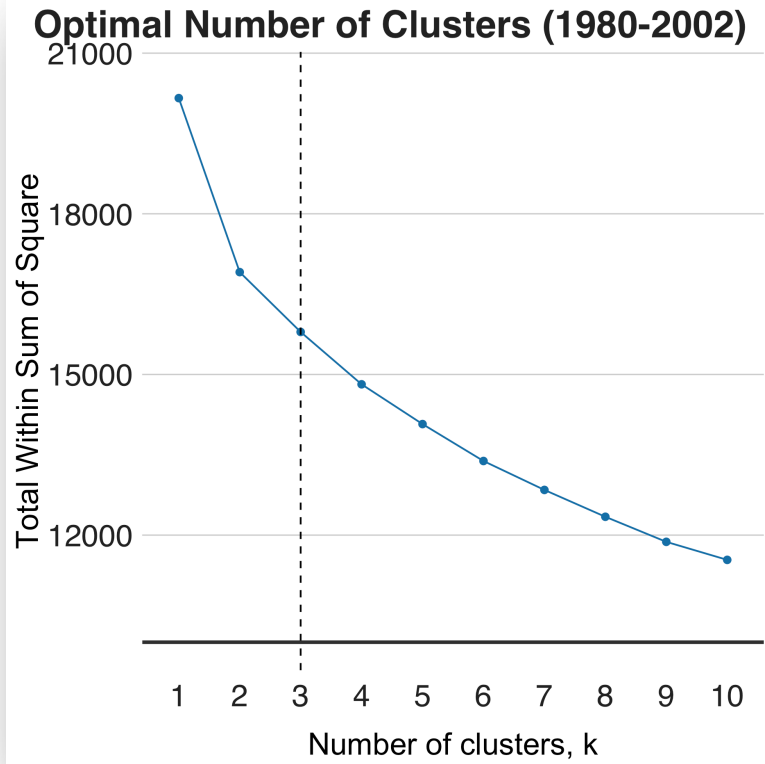
Data for Filtered Fortune 400 Companies, Post Quality Control (ETL) 1980-2018

Data Level	Total Observations	Years Covered
Individual Contributions	3,863,893	1980-2018
Individuals x Firm x Election Cycle	562,473	1980-2018
Firms	336	1980-2018

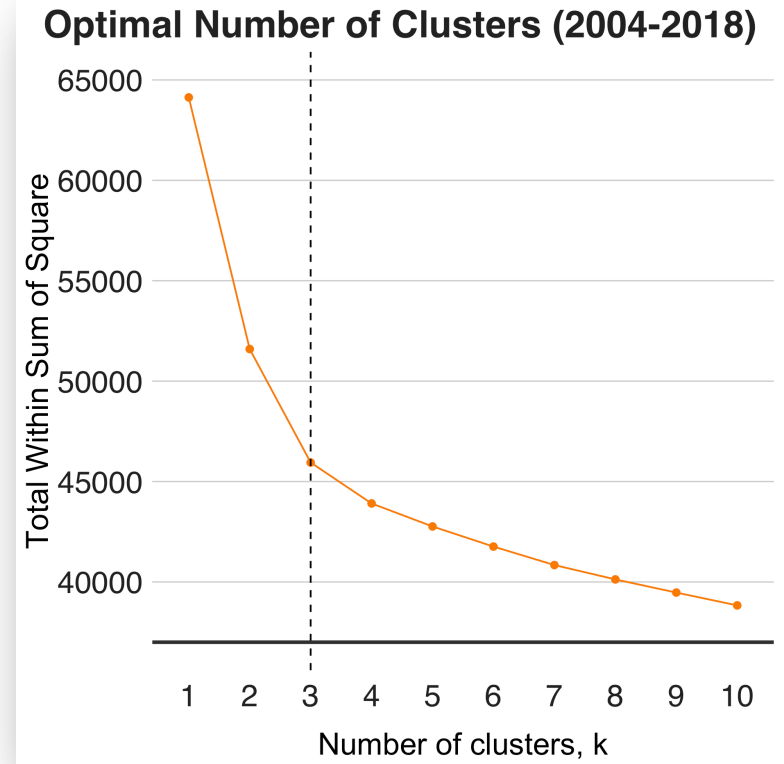
AGNES Models: Optimal Number of Clusters

AGNES Models Run Using Ward Method

AGNES 1980-2002



AGNES 2004-2018



Dynamic Time Warping
Hierarchical Clustering Algorithm Selection, 1980-2018

Model Coefficients

HCA Method	Model 1	Model 2	Model 3
AGNES, UPGMA	0.656	0.646	0.705
AGNES, WPGMA	0.703	0.688	0.753
AGNES, Single Linkage	0.622	0.608	0.707
AGNES, Complete Linkage	0.807	0.8	0.848
AGNES, Ward's Method	0.921	0.919	0.916
Diana	0.763	0.751	0.819

Dynamic Time Warping Model 1 Features

Model 1 (336 X 51 X 20)

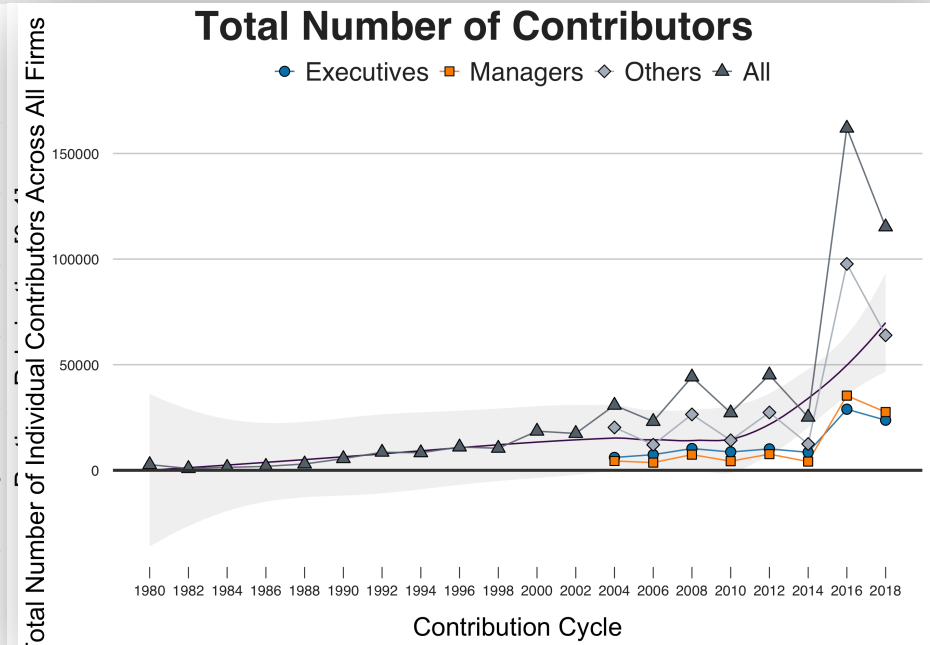
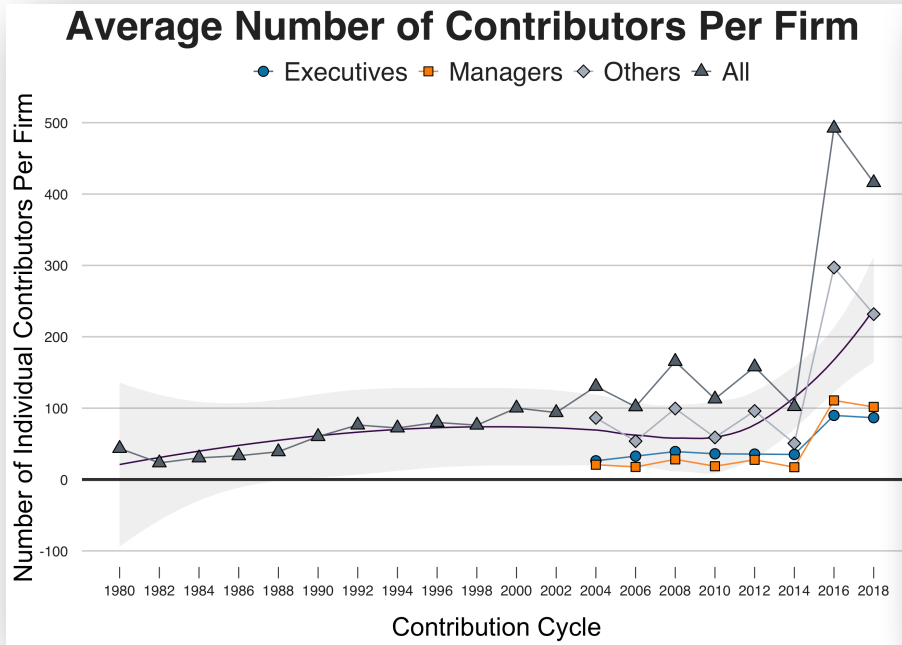
Mean Party ID [DEM, REP]	Variance Party ID [DEM, REP]	Variance Partisan Score
Median Party ID [DEM, REP]	Skewness Party ID [DEM, REP]	Skewness Partisan Score
Mean Partisan Score	LN Kurtosis Party ID [DEM, REP]	LN Kurtosis Partisan Score
Median Partisan Score	Polarization Party ID Base	
Mean Partisan Score (Mode)	Polarization Partisan Score Base	
Mean Partisan Score (Min)	Polarization Party ID [0, 1] Scaled	
Mean Partisan Score (Max)	Polarization Partisan Score [0, 1]	

*all model features are Company X Occupational Hierarchy X Cycle
336 Companies X (17 Features X 3 Hierarchies = 51) X 20 Election Cycles*

Activation of Partisanship Starting 2014-2016?

Average Individuals Per Firm

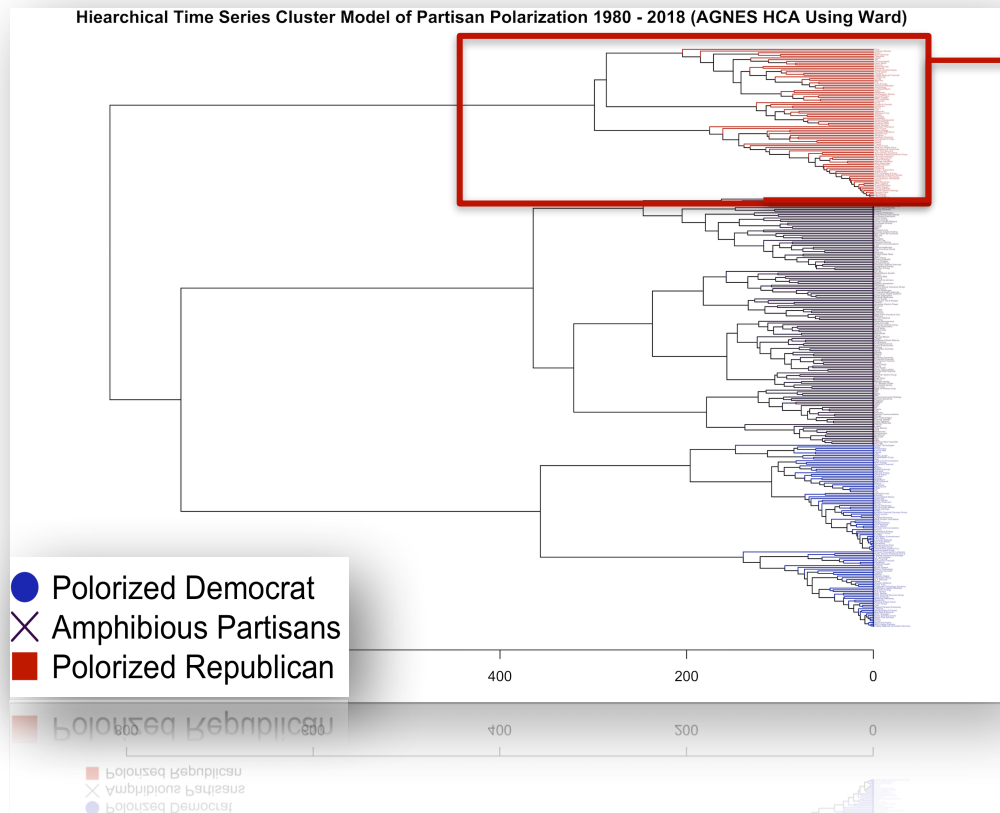
Total Individual Contributors



Dynamic Time Warping – Hierarchical Cluster Analysis

- Hierarchical Cluster Analysis: (AGNES/DIANA) Used in Sociological Studies of Emergence (Powel and Sandholtz 2012; Ruef 2000)
- Dynamic Time Warping: A model-free dissimilarity measure that can minimize a temporal mapping across a matrix of multivariate time series (Bernd and Clifford 1994; Montero and Vilar 2014).
- Clustering is unsupervised and the number of clusters must be specified.

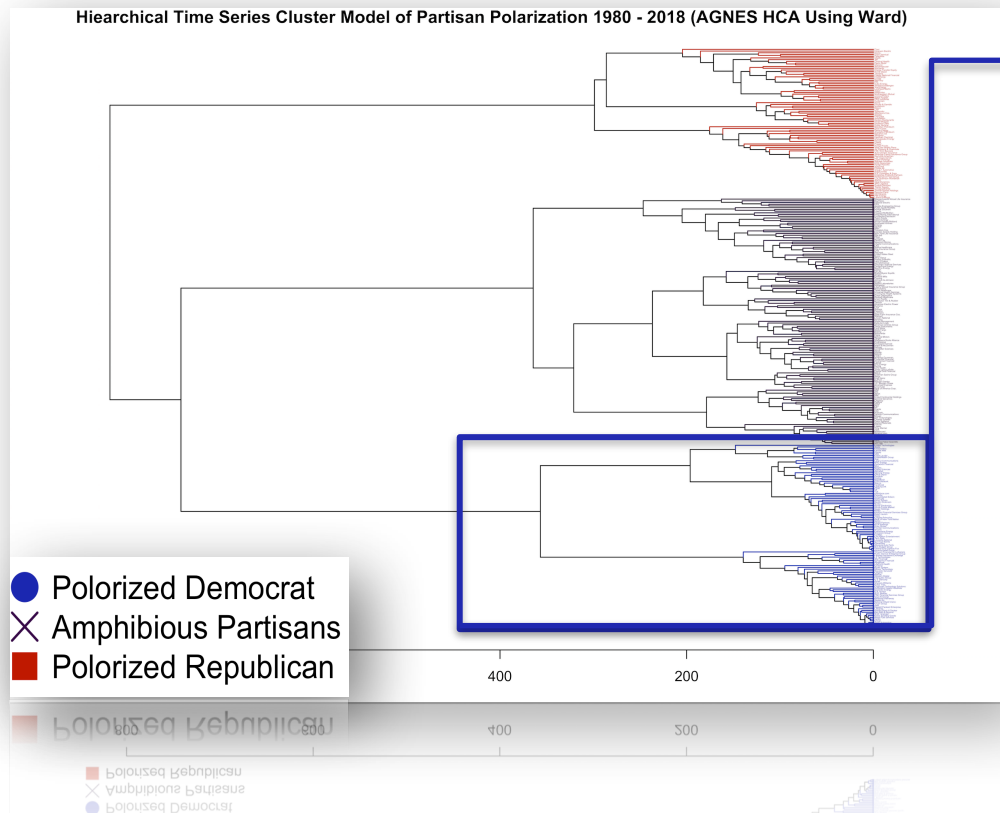
Dynamic Time Warping AGNES-Ward Model: 1980-2018



→ Republican Firms include:

- Marathon Petroleum
- Marathon Oil
- Exxon Mobil
- Anadarko Petroleum
- Monsanto
- Dean Foods
- Hormel Foods
- Caterpillar
- Home Depot
- USAA

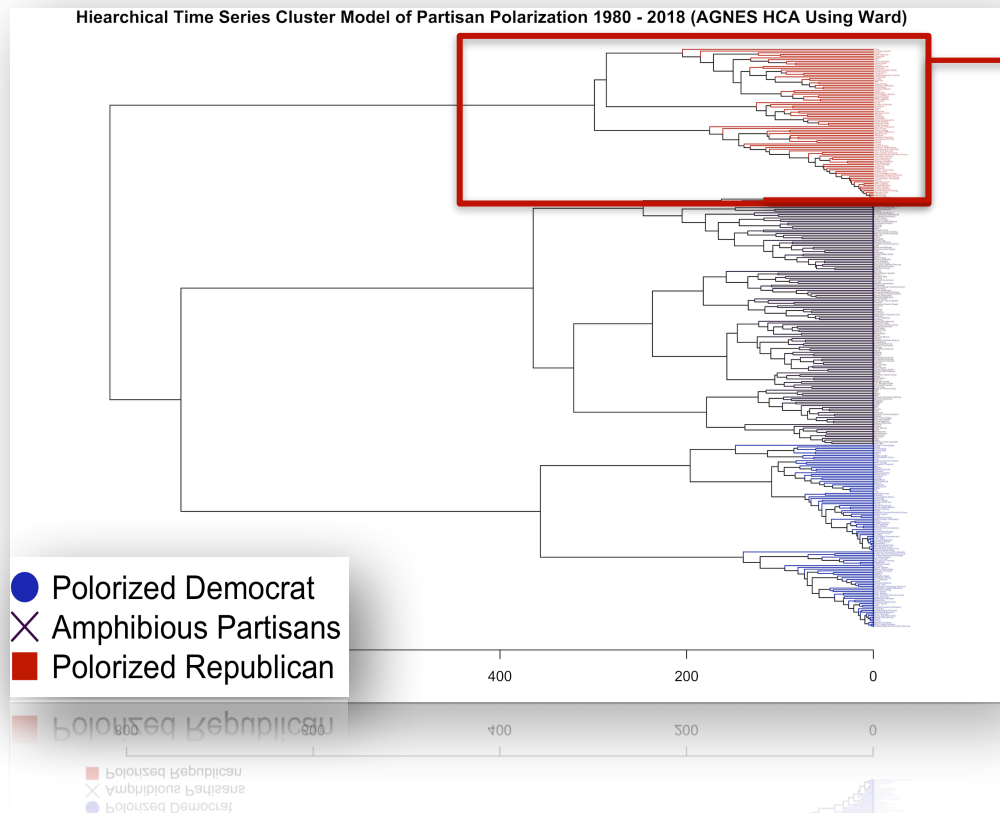
Dynamic Time Warping AGNES-Ward Model: 1980-2018



Democratic Firms include:

- Alphabet (Google)
- Apple
- Netflix
- Tesla
- Nike
- Disney
- Starbucks
- Whole Foods
- Estee Lauder
- Ralph Lauren
- Macy's
- Salesforce

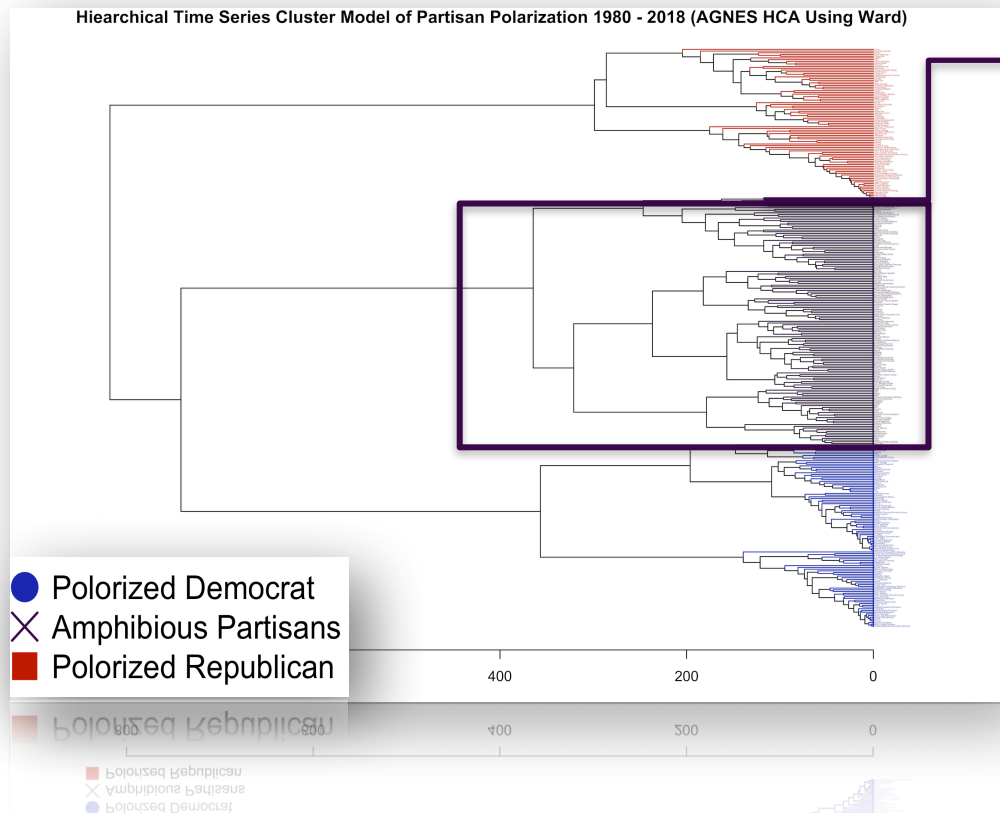
Dynamic Time Warping AGNES-Ward Model: 1980-2018



→ Republican Firms include:

- Marathon Petroleum
- Marathon Oil
- Exxon Mobil
- Anadarko Petroleum
- Monsanto
- Dean Foods
- Hormel Foods
- Caterpillar
- Home Depot
- USAA

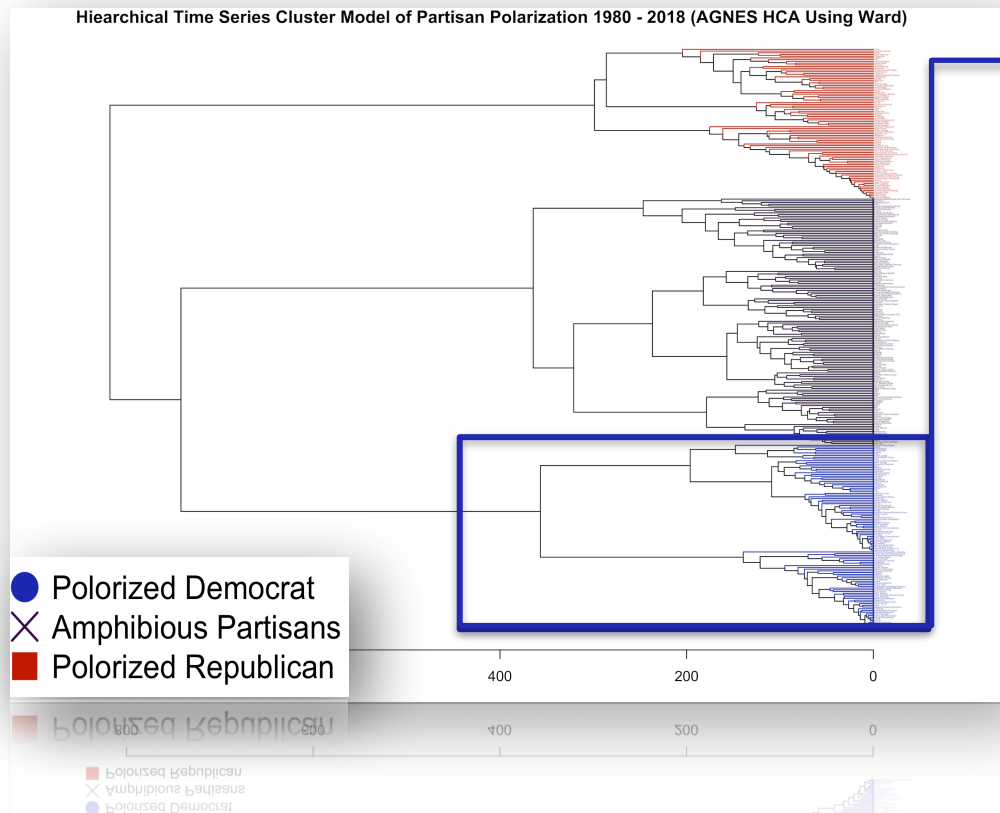
Dynamic Time Warping AGNES-Ward Model: 1980-2018



Amphibious Firms include:

- General Mills
- Coca-Cola
- Hershey
- McDonalds
- Goldman Sachs
- J.P. Morgan Chase
- General Electric
- Ford Motor
- Boeing
- American Airlines
- Wal-Mart
- Kroger

Dynamic Time Warping AGNES-Ward Model: 1980-2018



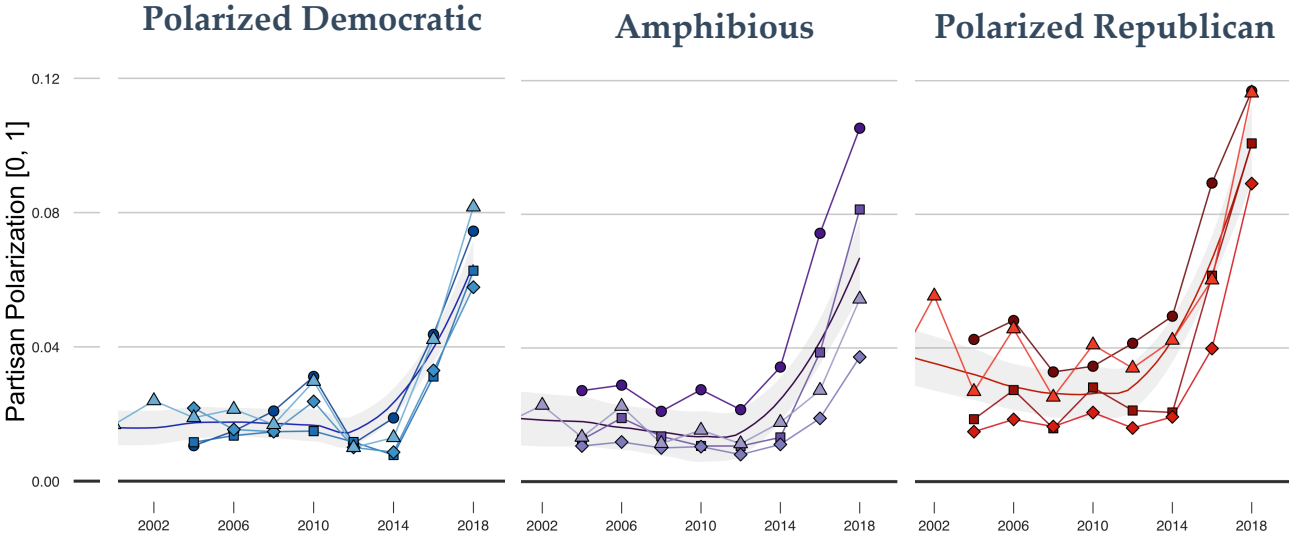
Democratic Firms include:

- Alphabet (Google)
- Apple
- Netflix
- Tesla
- Nike
- Disney
- Starbucks
- Whole Foods
- Estee Lauder
- Ralph Lauren
- Macy's
- Salesforce

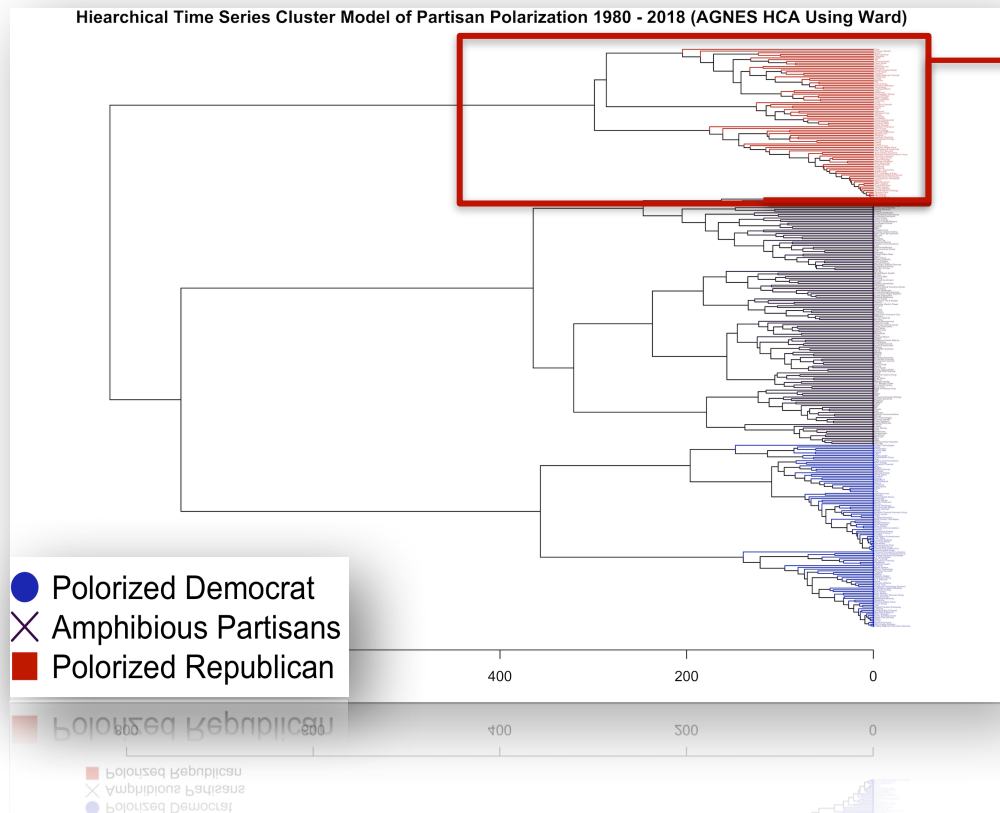
Increasing Partisan Polarization (within Firm Party Homogeneity)

Partisan Polarization (Party ID)

● Executives ■ Managers ◆ Others ▲ All



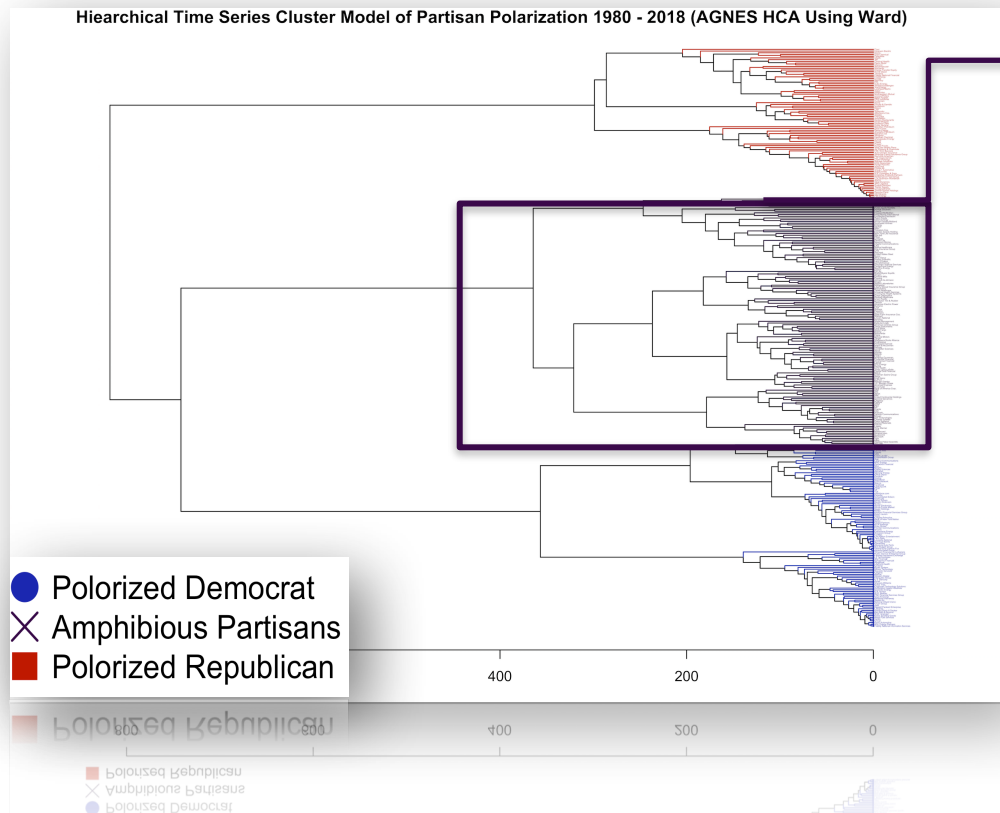
Dynamic Time Warping AGNES-Ward Model: 1980-2018



→ Republican Firms include:

- Marathon Petroleum
- Marathon Oil
- Exxon Mobil
- Anadarko Petroleum
- Monsanto
- Dean Foods
- Hormel Foods
- Caterpillar
- Home Depot
- USAA

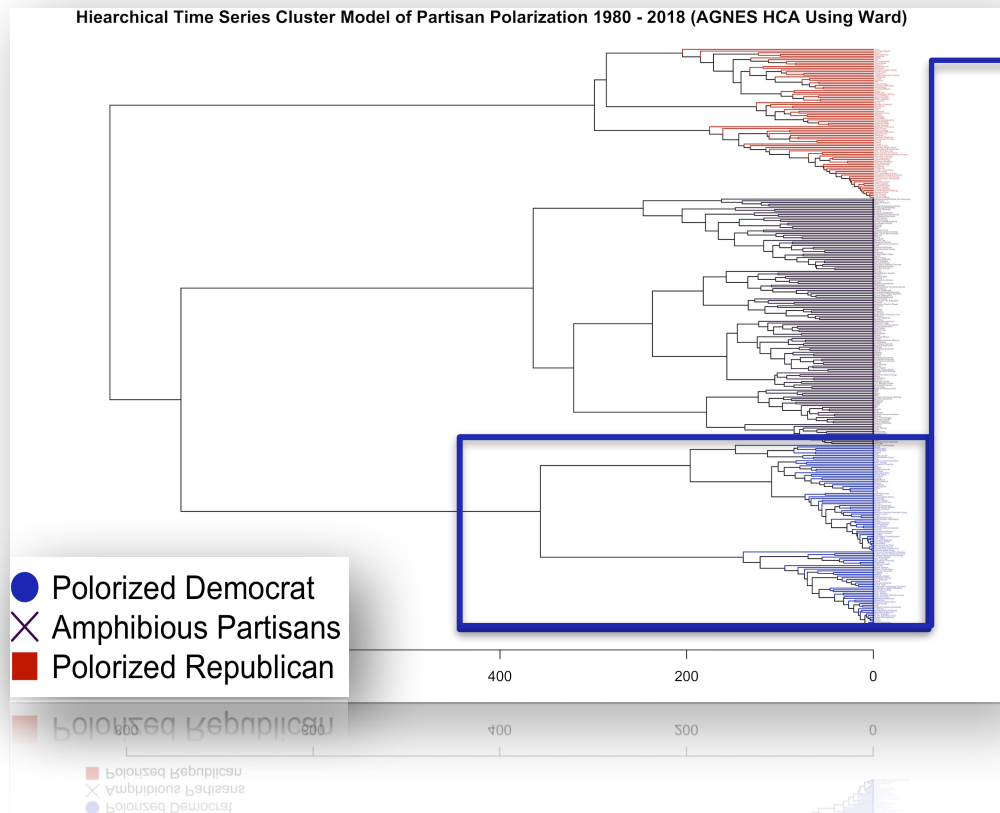
Dynamic Time Warping AGNES-Ward Model: 1980-2018



Amphibious Firms include:

- General Mills
- Coca-Cola
- Hershey
- McDonalds
- Goldman Sachs
- J.P. Morgan Chase
- General Electric
- Ford Motor
- Boeing
- American Airlines
- Wal-Mart
- Kroger

Dynamic Time Warping AGNES-Ward Model: 1980-2018

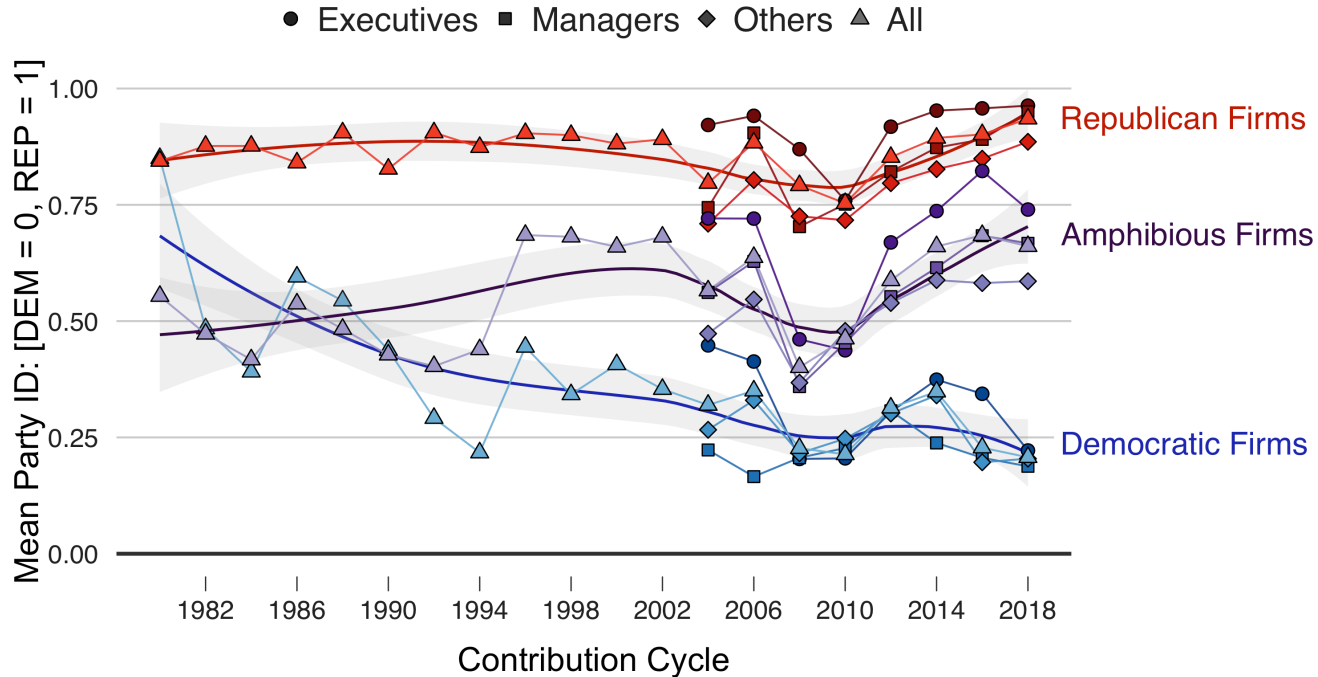


Democratic Firms include:

- Alphabet (Google)
- Apple
- Netflix
- Tesla
- Nike
- Disney
- Starbucks
- Whole Foods
- Estee Lauder
- Ralph Lauren
- Macy's
- Salesforce

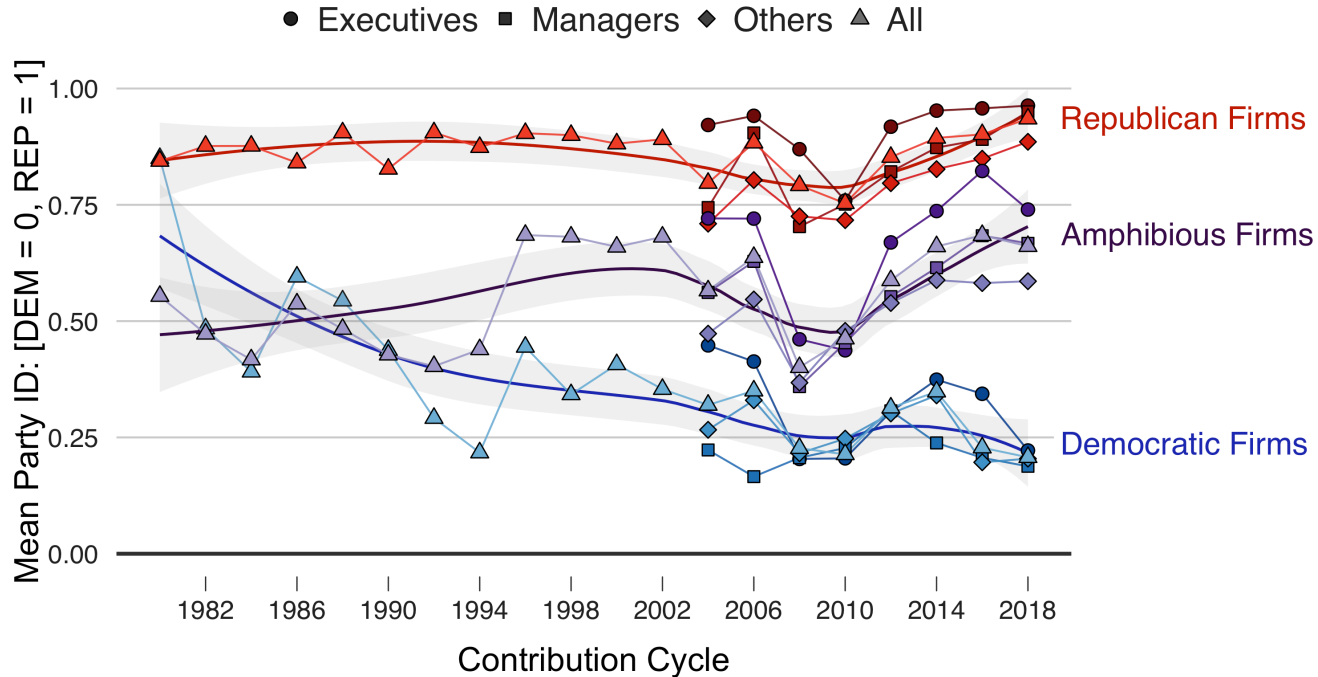
Growing Partisan Polarization Between Firms

Rep, Dem, and Amphibious Firms - Mean Partisanship (PID)

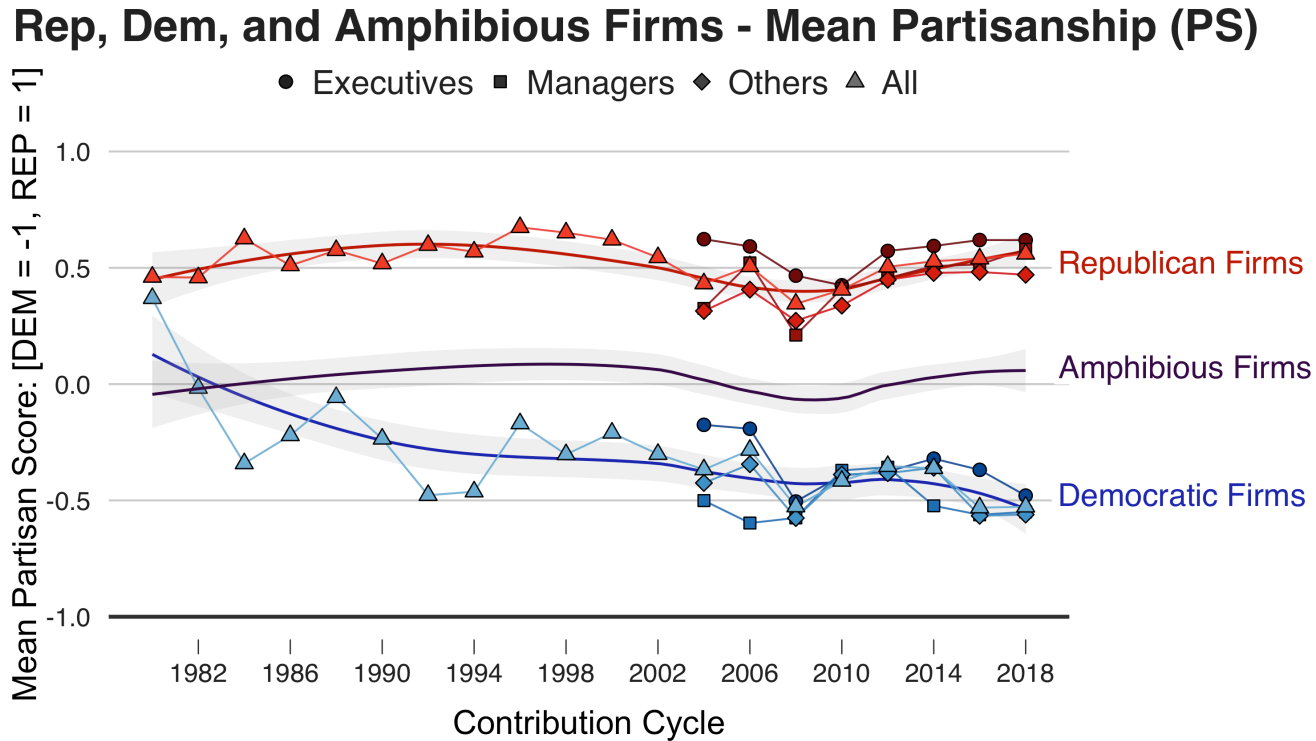


Growing Partisan Polarization Between Firms

Rep, Dem, and Amphibious Firms - Mean Partisanship (PID)

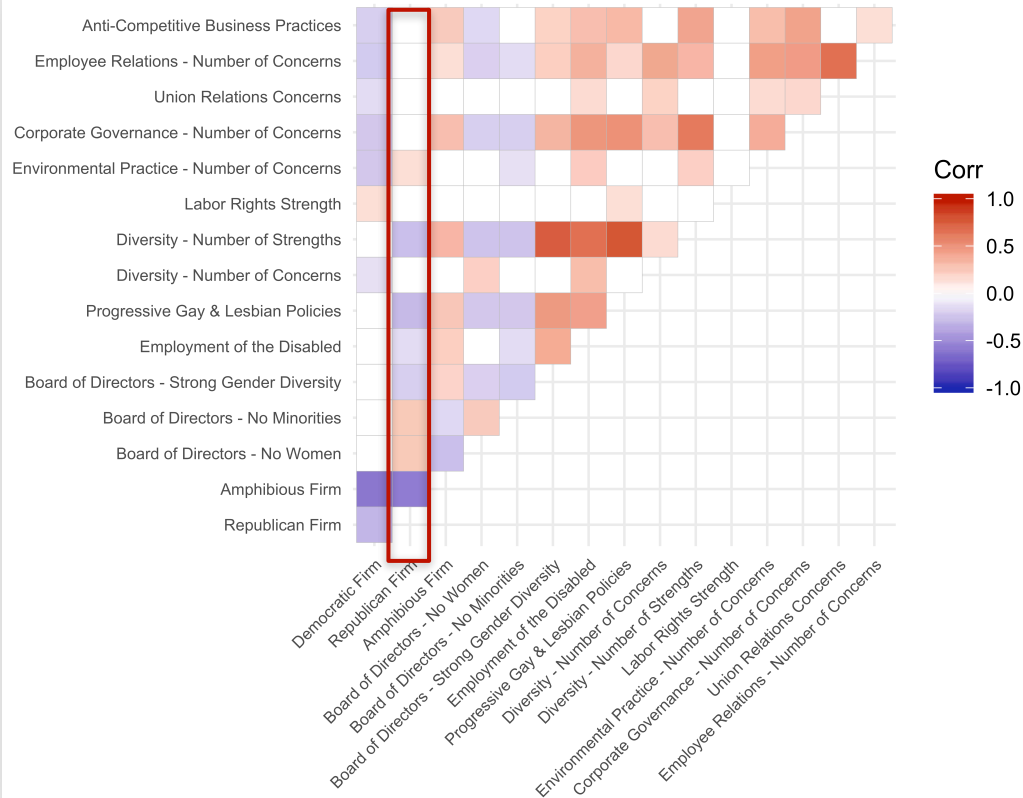


Growing Partisan Polarization Between Firms



Republican Firms are Negatively Associated with Corporate Social Responsibility

Significant Correlations, HCA Clustered Firms and MSCI Data, 1991-2016



Republican Firms:

Significant positive correlation with

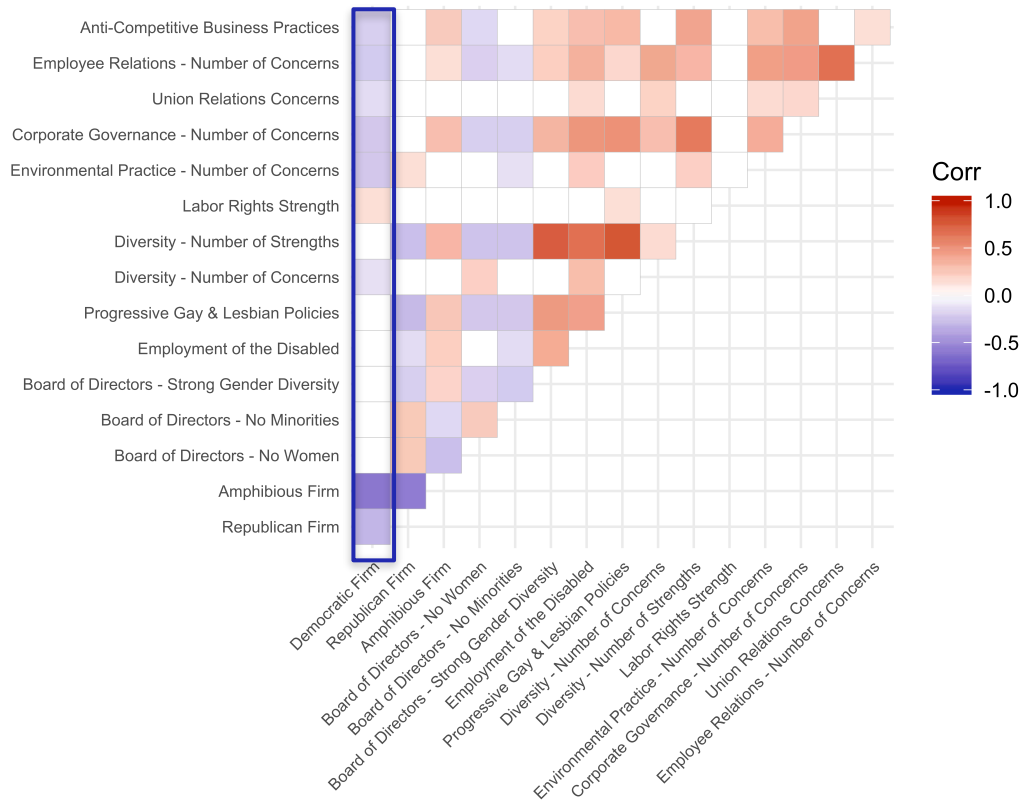
- Number of Environmental Practice Concerns
- No Minorities on Board of Directors
- No Women on Board of Directors

Significant negative correlation with

- Number of Diversity Strengths
- Progressive Gay or Lesbian Policies
- Employment of the Disabled
- Board of Directors – Strong Gender Diversity

MSCI Environmental, Social, and Governance Ratings vs. Dynamic Time Warping HCA Classified Firm Types

Significant Correlations, HCA Clustered Firms and MSCI Data, 1991-2016



Democratic Firms:

Significant positive correlation with

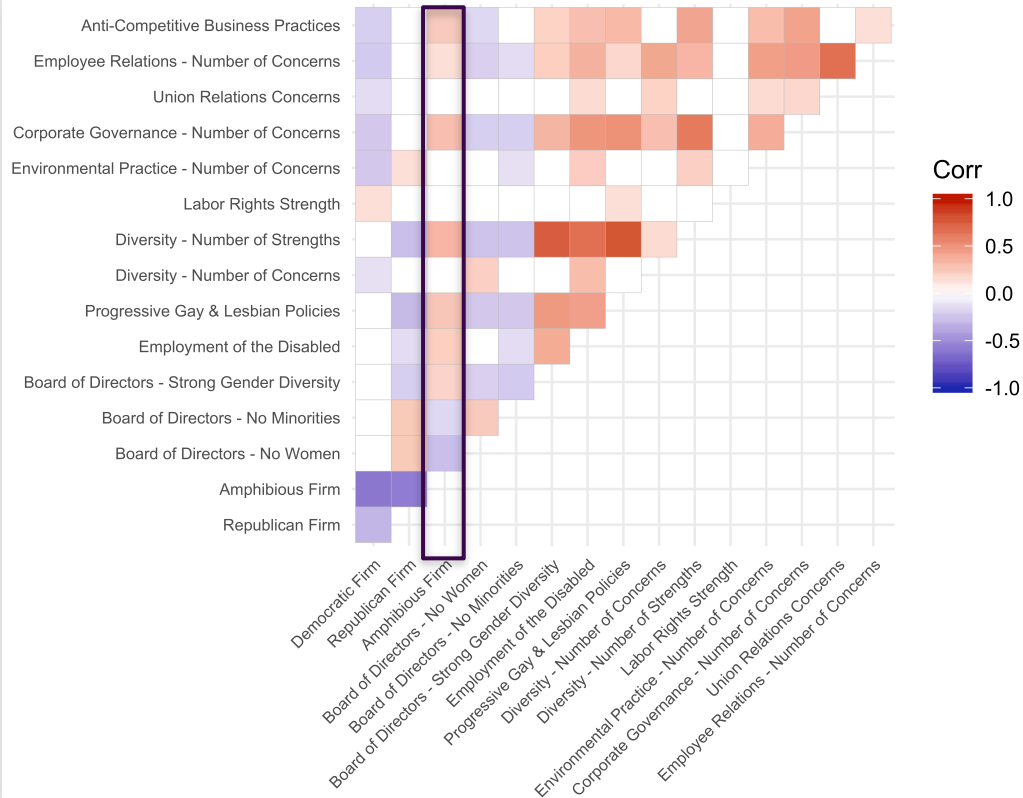
- Labor Rights Strength

Significant negative correlation with

- Anti-Competitive Business Practices
- Number of Employee Relations Concerns
- Union Relations Concerns
- Corporate Governance Concerns
- Environmental Practice Concerns
- Diversity Concerns

MSCI Environmental, Social, and Governance Ratings vs. Dynamic Time Warping HCA Classified Firm Types

Significant Correlations, HCA Clustered Firms and MSCI Data, 1991-2016



Amphibious Firms:

Significant positive correlation with

- Anti-Competitive Business Practices
- Number of Employee Relations Concerns
- Corporate Governance Concerns
- Environmental Practice Concerns
- Number of Diversity Strengths
- Progressive Gay and Lesbian Policies
- Employment of the Disabled
- Board of Directors – Gender Diversity

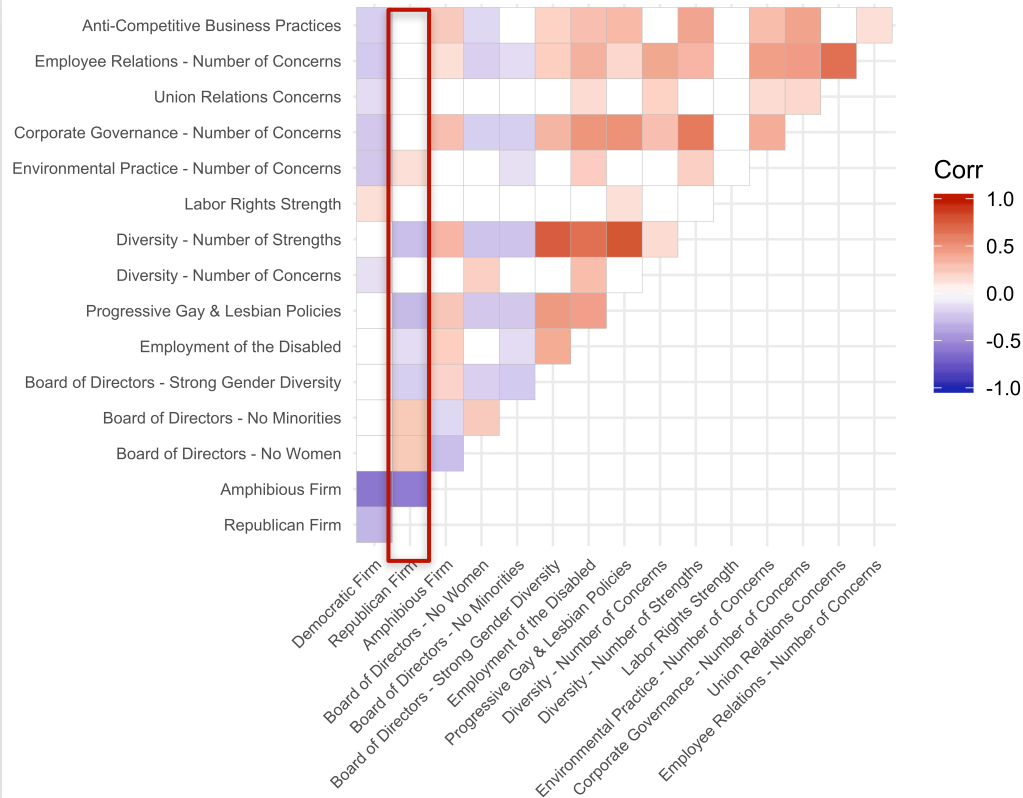
Significant negative correlation with

- Board of Directors – No Minorities
- Board of Directors – No Women

Is Employee Partisanship Associated with Firm Behavior?

Republican Firms are Negatively Associated with Corporate Social Responsibility

Significant Correlations, HCA Clustered Firms and MSCI Data, 1991-2016



Republican Firms:

Significant positive correlation with

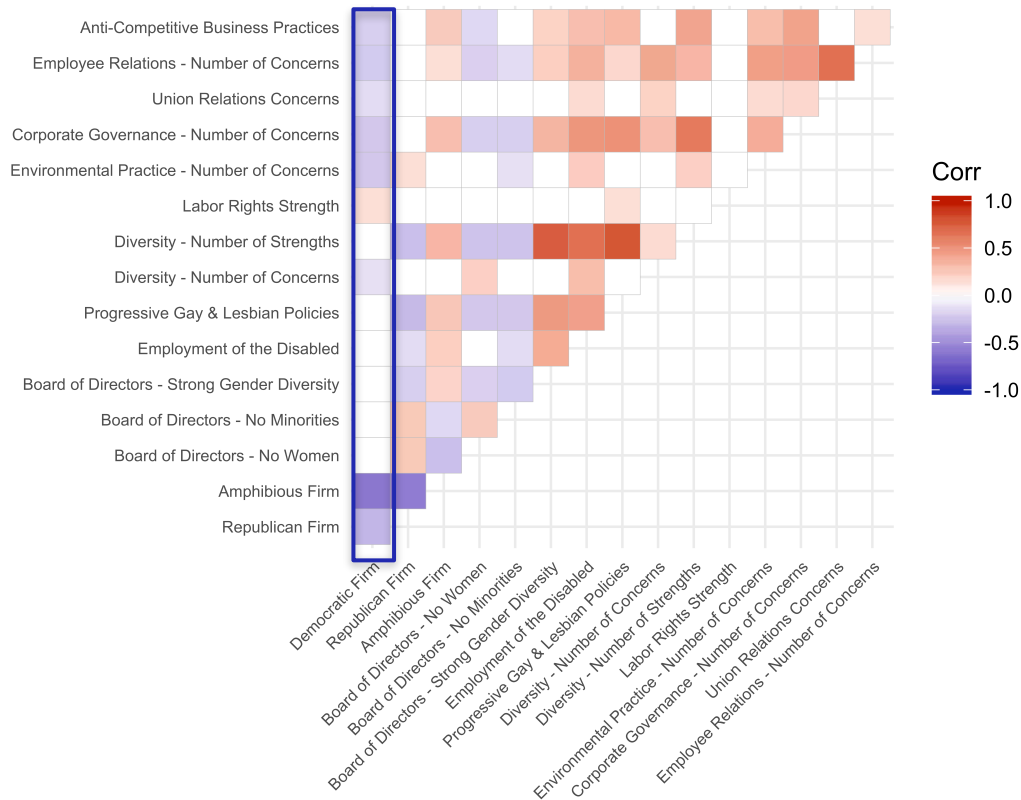
- Number of Environmental Practice Concerns
- No Minorities on Board of Directors
- No Women on Board of Directors

Significant negative correlation with

- Number of Diversity Strengths
- Progressive Gay or Lesbian Policies
- Employment of the Disabled
- Board of Directors – Strong Gender Diversity

MSCI Environmental, Social, and Governance Ratings vs. Dynamic Time Warping HCA Classified Firm Types

Significant Correlations, HCA Clustered Firms and MSCI Data, 1991-2016



Democratic Firms:

Significant positive correlation with

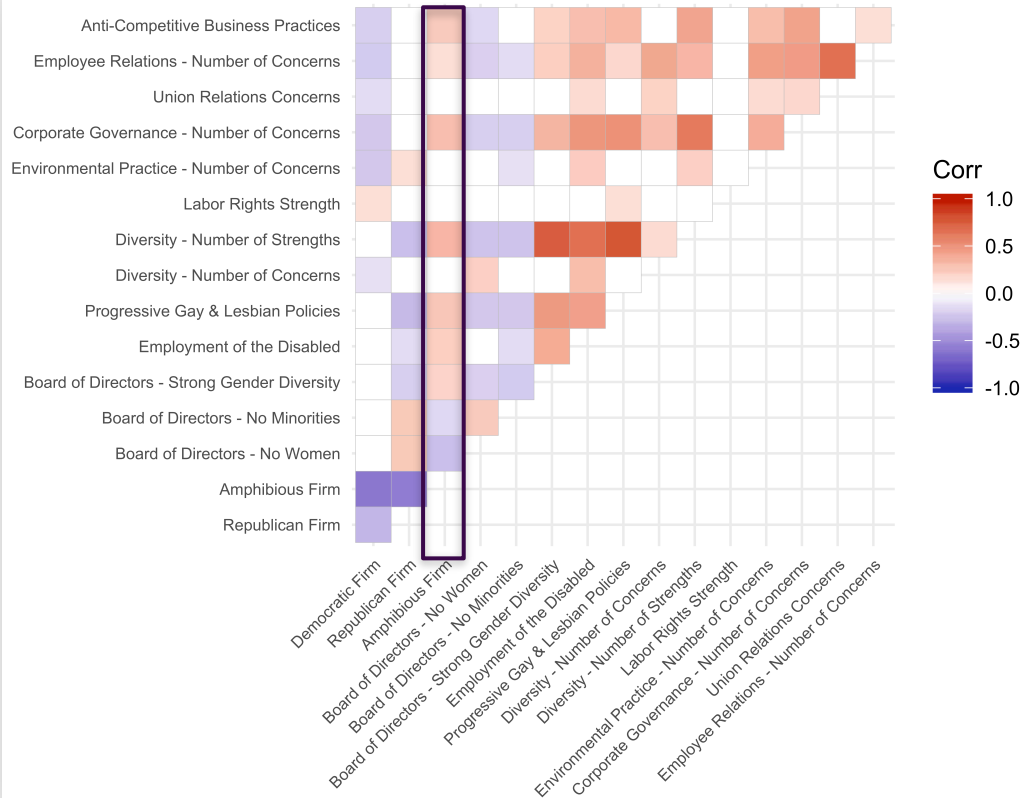
- Labor Rights Strength

Significant negative correlation with

- Anti-Competitive Business Practices
- Number of Employee Relations Concerns
- Union Relations Concerns
- Corporate Governance Concerns
- Environmental Practice Concerns
- Diversity Concerns

MSCI Environmental, Social, and Governance Ratings vs. Dynamic Time Warping HCA Classified Firm Types

Significant Correlations, HCA Clustered Firms and MSCI Data, 1991-2016



Amphibious Firms:

Significant positive correlation with

- Anti-Competitive Business Practices
- Number of Employee Relations Concerns
- Corporate Governance Concerns
- Environmental Practice Concerns
- Number of Diversity Strengths
- Progressive Gay and Lesbian Policies
- Employment of the Disabled
- Board of Directors – Gender Diversity

Significant negative correlation with

- Board of Directors – No Minorities
- Board of Directors – No Women

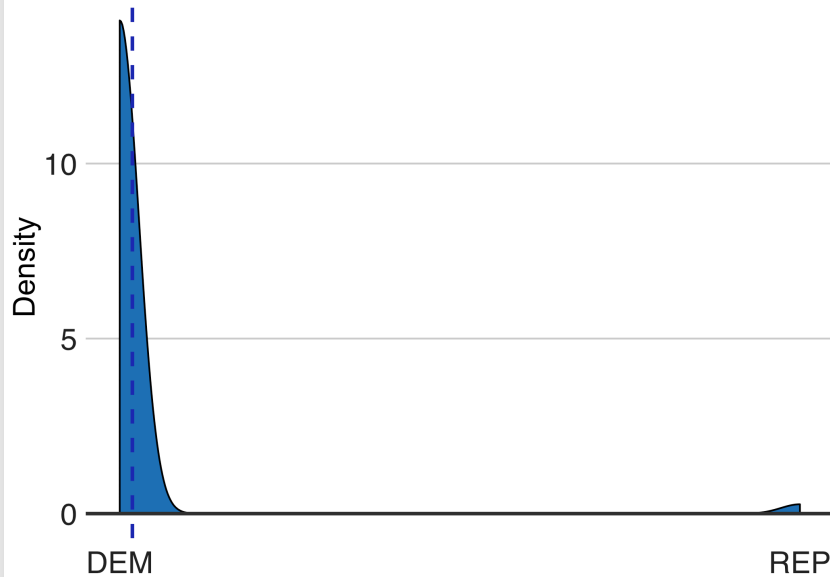
Measuring Partisan Polarization

$$\text{Partisan Polarization} = \left((1 - \text{Var}[X]) \times |\text{Skew}[X]| \times \ln(\text{Kurt}[X] + 10) \right),$$

where $X = \text{Party ID or Partisan Polarization}$

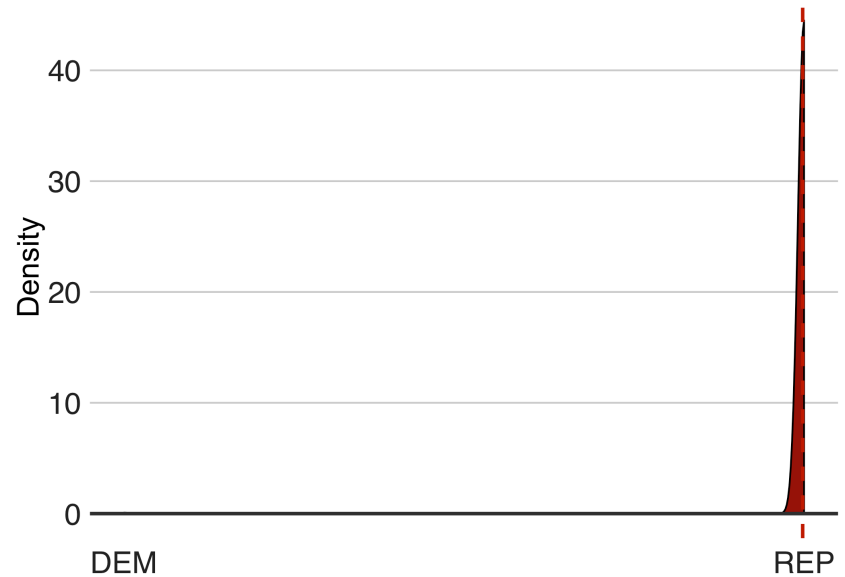
Alphabet (Google) - 2018

Partisan Polarization = 28.5



Marathon Petroleum - 2018

Partisan Polarization = 136.4



Partisan Polarization in Fortune 400 Firms, 1980-2018

Partisan Polarization (Party ID)

Partisan Polarization (Partisan Score)

