

Title

Social Network and Inequality in Career Outcomes:
Evidence from Prosecutors in Korea

Abstract

Although a myriad of studies have examined the role of social networks in employment, relatively little attention has been paid to their impact on career outcomes, such as promotion. I investigate whether and to what extent connections with “successful” senior colleagues (i.e., senior colleagues who rise to high-ranking positions during the course of their career paths) affect a junior prosecutor’s chances of promotion. This study focuses on a professional organization that is marked by its bureaucratic hierarchy where managers train, supervise, and assess juniors as well as hold the influence to recommend them for promotion. To identify a causal network effect of successful seniors, I exploit exogenous variation in networks arising from personnel transfer assignments, an organization-specific attribute unique to the Korean prosecution service. I find that connections to successful seniors have a positive spillover effect on junior prosecutors: a one standard deviation increase in the number of connections with successful seniors increases the probability of being promoted for a junior by 17.7 percentage points. I further provide empirical evidence that there are at least three potential mechanisms behind the network effect: (i) skill spillovers from a senior to a junior, (ii) transmission of information on a junior’s performance between seniors, and (iii) nepotism based on alma-mater connections.