Spurious Also? Name-Similarity Effects (Implicit Egotism) in Employment Decisions

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Researchers have posited that people's tendency to like names similar to their own can influence major life decisions (Pelham, Carvallo, & Jones, 2005). Anseel and Duyck (2008) put forward the most systematic test of this hypothesis to date: Using data from a third of all Belgian full-time employees, they examined whether people with a given last-name initial were disproportionately likely to work for companies with a matching initial, and found that this was the case for every letter of the alphabet (except *X*). Anseel and Duyck's sample of 582,007 employees contained 36,242 people whose initial matched that of their company, although only 31,952 matches would have been expected by chance. The researchers concluded that at least 12,000 Belgians chose their employer *because* of a shared initial.

One alternative explanation for this finding is reverse causality: That is, it may be the case that employees do not seek out companies with names similar to their own; rather, people who start new companies disproportionately name the companies after themselves. Walt Disney worked for a company whose name started with *D* not because he sought out employers whose names began with that letter, but because he christened the company with his own name.

Anseel and Duyck (2008) excluded self-employed people from their analyses, but many people who work for companies that they or their relatives named are not self-employed; for example, neither Walt Disney nor Henry Ford was. This confound is exacerbated by small family firms that often hire founders' relatives.

A second alternative explanation hinges on a likely language confound: VanBoven may work for VanDyke Associates and LeBoeuf for LeBlanc Associates because the former employee lives in Dutch-speaking Flanders and the latter in French-speaking Wallonia; *Van* is a common Dutch prefix, and *Le* is a common French prefix.

Unfortunately, Anseel and Duyck (2008) are not allowed to share their data. To reassess the evidence for a name-similarity effect in employment decisions, I therefore employed a new data set that was American and hence probably free of a language confound.[1] I successfully replicated Anseel and Duyck's findings, but found that controlling for reverse causality entirely eliminated the name-similarity effect.[1]

Method and Results

In the United States, donors to political campaigns must disclose their name and employer. Data sets with such information are freely available from sources such as the Center for Responsive Politics (http://www.opensecrets.org), from which I obtained data for the 2004 election cycle ($N = 2{,}527{,}810$ donations). Retaining one observation per donor and eliminating incomplete entries and entries for self-employed and unemployed individuals left a final sample of 438,111.

Three sets of analyses were conducted. All involved comparing expected frequencies with actual frequencies of employees whose last name shared an initial (or additional letters) with their company's name. The expected frequencies if the two variables were independent would be simply the proportion of employees with a given initial (or letter sequence) multiplied by the proportion of companies with that initial (or letter sequence). Results are reported in Figure 1, which shows the ratio of the actual frequency over the expected frequency ($R_{A/E}$) for each letter, as well as the overall effect (obtained by summing actual frequencies of matches across all letters and comparing that value with the expected frequency of matches across all letters).

For every letter, the actual frequency of matching initials was higher than expected: People did disproportionately share initials with their employers.[2] Overall, more than 2.5 times as many people worked for an employer with a matching initial as would be expected by chance, $R_{A/E} = 2.60$, $\chi^2(1, N = 438{,}111) = 56{,}240.8$, $p < .0001$. The effect is notably larger than that reported by Anseel and Duyck (2008), possibly because the

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U.S. sample of political contributors overrepresents wealthy individuals, who are more likely than the average Belgian to have founded their own company.

If the matching-initial effect is due to reverse causality, names of employees should tend to share more than an initial with names of their employers: Whereas implicit egotism would predict that both Peeters and Pieters are disproportionately likely to work for Peeters and Associates, reverse causality could account for only the former employee. My second set of analyses focused on employees whose names matched their company's name in the first letter but not all first three letters (see Fig. 1). I used only the first three letters because companies can be named after an owner's nickname or other name deformations; in addition, Anseel and Duyck's (2008) data set included data for up to the third letter of names, so I have made my analyses applicable to their data. In these analyses, ratios of actual to expected frequencies were close to 1 for each letter, and the overall ratio was 0.99. Thus, there was no effect for initials alone.

If people who shared the first three letters of their last names with the names of their companies entirely accounted for the name-similarity effect, the number of such people must have been astonishingly greater than expected. Overall, 61,025 people worked for a company whose initial matched that of their last name; 38,421 of these employees shared all three first letters of their name with the first three letters of their company's name. By multiplying the proportion of people with each three-letter combination by the proportion of companies with the same combination, and summing across all such combinations, I determined the expected number of three-letter matches to be only 596; thus, the $R_{A/E}$ for sharing three or more letters was a bewildering 64.4 (38,421/596).

These results imply that the number of employees who share only an initial with their company is approximately the number that would be expected, but that the number of employees who share at least the first three letters of their last name with the first three letters of their employer's name is 64 times what would be expected. It seems implausible that these effect sizes are the result of implicit egotism, but they are entirely consistent with a reverse-causality account.

The third set of analyses was analogous to the first but was performed on the subset of companies with at least 50 observations in the sample ($N = 54,710$ employees; see Fig. 1). If the name-similarity effect is driven by reverse causality, it should be attenuated in larger companies, as it should be present primarily among smaller firms, in which reverse causality is more likely and more consequential (as it affects a greater proportion of employees). In these final analyses, as in the second set, the actual frequency of employees whose initials matched their companies' initials was nearly identical to the expected frequency—overall $R_{A/E} = 1.01$, $\chi^2(1, N = 54,710) = 0.30$, $p = .583$.[3]
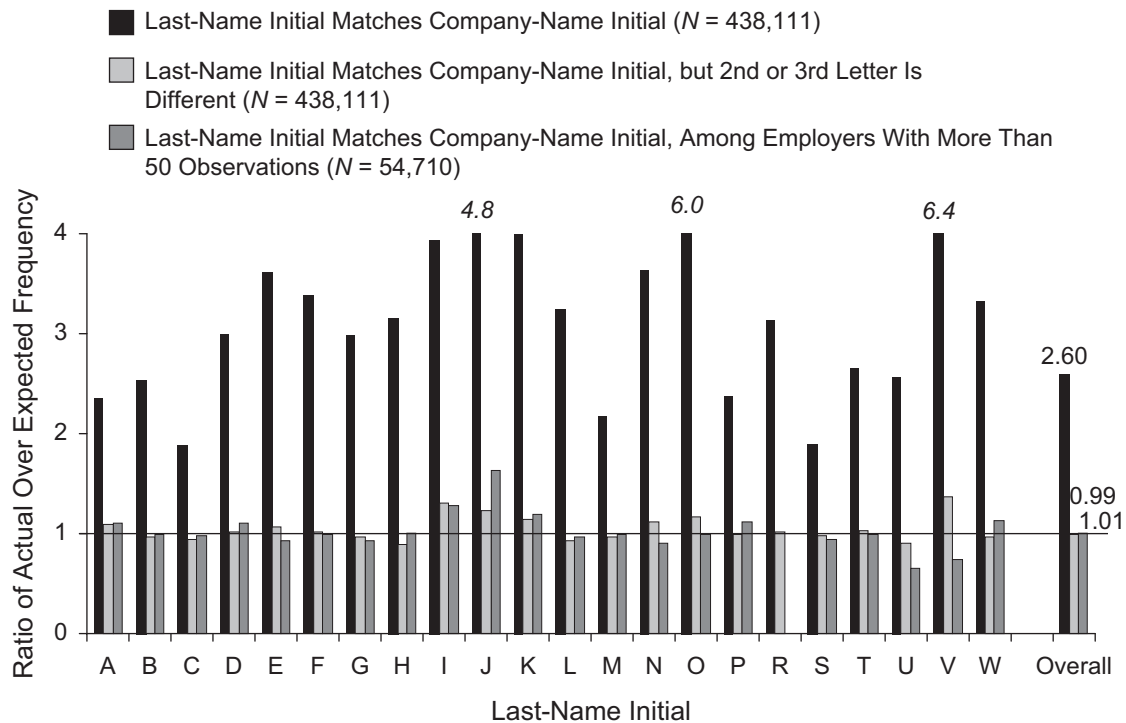
Fig. 1. Ratios of actual to expected frequencies of matches between the letters in employees' last names and their employers' names. Results are shown both for individual letters of the alphabet and for the samples overall. Ratio values greater than 4 are printed above the bars.

Conclusions

The results suggest that implicit egotism in employment decisions is driven by reverse causality. They are consistent with the results of my previous research (Simonsohn, 2011), in which I questioned the implicit-egotism account of name-similarity effects for earlier findings on decisions about marriage, occupation, and moving. The findings reported here do not constitute evidence against the existence of a preference for objects with names similar to one's own, but suggest that the effect of name similarity may not be sizable enough to influence major life decisions.

Declaration of Conflicting Interests

The author declared that he had no conflicts of interest with respect to his authorship or the publication of this article.

Supplemental Material

Additional supporting information may be found at http://pss.sagepub.com/content/by/supplemental-data

Notes

1. For my proposed method of controlling for language in the Belgian data, see the Supplemental Material available online.
2. The letters Q, X, Y, and Z combined had an expected frequency of only 17 same-letter matches and are therefore excluded from the figure.
3. With no restrictions, the value of $R_{A/E}$ is 2.60; it drops to 1.62, 1.12, 1.05, 1.03, and 1.01 as the sample is restricted to firms with at least 2, 5, 10, 25, and 50 observations, respectively.

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