

# Should We Stay or Should We Go?

## A Factorial Survey Analysis of Decisions on Regional Moves within Dual Earner Partnerships

Venice International University, December 4<sup>th</sup>, 2007

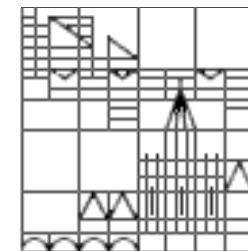
Katrin Auspurg und Thomas Hinz, Universität Konstanz  
Martin Abraham, Universität Bern

*u*<sup>b</sup>

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*b*  
UNIVERSITÄT  
BERN

Universität Konstanz



## Basic Idea and Research Aims

- Recently bargaining approaches became a popular concept of rational choice modelling within family research.
- Although there are many topics that can be tackled with this kind of theory, there is still a lack of empirical tests for this theoretical approach. The aim of our research is to provide such a test.
- Long distance moves usually modify basic parameters of a partnership, like job opportunities, career prospects and local networks of the partners.
- Our basic idea therefore is to use incentives for a household move to simulate changing structural conditions of a relationship. By means of a factorial survey design we simulate changing bargaining power allocations.
- In other words, we see the chance of a „quasi-experimental“, more direct empirical test of the bargaining theory compared to conventional research strategies.

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1. Basic Idea and Research Aims
2. Theoretical Background and Hypotheses
3. Factorial Survey Design and Sample
4. Results
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## New Home Economics

- Basic concept: maximization of one joint utility function.
- Application to household moves (Mincer 1978; Sandell 1977):
  - Couple decides to move if the net household income increases by the move.
  - Decisions against the “private” calculus possible (“tied stayer“ / “tied mover“).
  - Explanation by loss compensations.
- From an exchange or bargaining theoretical point of view the limitations of this approach are obvious: stability and allocation problems are not addressed.

## Theses of the Exchange and Bargaining Theories

- Partnerships only continue to exist if there are no better external opportunities.
- Share of resources and duties is defined by the „principle of least interest“:  
External alternatives to the partnership („threat points“) determine the internal allocation of resources.
- Job opportunities are regarded as the main factor for the independence of the partnership.

## Dynamical Bargaining Theorie

Consequences for moving decisions  
(dynamical, game-theoretical models, e.g. Ott 1992):

- The willingness to move not only depends on a gain for the whole household but also on the individual trust in
  - the stability of the relationship and
  - an adequate gain sharing after the move.
- Because of the lack of long-term binding agreements in private partnerships the central proposition is:  
Actors will reject *joint* options of migration if they are accompanied by too asymmetrical shifts of their bargaining power.

## Hypotheses

- H1: The bigger the anticipated shift of the bargaining power in the relationship, the smaller is the willingness to move of *both* partners.
- H2: Each of the two partners will consider shifts of *own* bargaining power more heavily than those of the partner.
- H3: The discrepancies between the two partners (the “conflict potential”) decline with the degree of trust in the stability of the partnership.

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## Use of a Factorial Survey Design

- Problems with existing survey data (e.g. SOEP, DJI Family Survey):
  - Low case numbers of households with long distance moves.
  - Lack of variables of interest: e.g. long-term career prospects, rejected opportunities.
  - High correlations between employment characteristics and gender.
- That's why we decided to use a factorial survey design:  
Different hypothetical incentives for a household move are used to study the reactions to changing bargaining power allocations.
- The innovation to a previous factorial survey on migration decisions (Auspurg / Abraham 2007) consists in the survey of *real* couples.

## Design of the Vignettes (1/2)

- Constant specifications:
    - Job offer in another location for one of the two partners
    - Similar conditions for living and leisure activities in this location
  - Systematically varied specifications:
    - Characteristics of the job offer  
(gain of income, career prospects)
    - Prospects for the tied mover at destination  
(employment and income prospects)
    - **Respondent gets own job offer vs. partner gets the job offer**  
(simulation of „mirror-imaged“ situations)
  - Dependent variables:
    - Willingness to commute
    - Willingness to move
    - Propensity for a joint move
- } 11-point rating scales each

## Design of the Vignettes (2/2)

Example of a vignette (here: man, **own job offer**)

Stellen Sie sich vor, ...

Das **Ihnen** am neuen Ort angebotene Gehalt beträgt Netto Euro 1400,-. Die neue Stelle beinhaltet für Sie langfristig keine Aufstiegschancen. Wenn Sie nicht umziehen sondern pendeln, würde ein einfacher Arbeitsweg für Sie 1 1/2 Stunden dauern, wobei Sie auf ein Auto angewiesen wären.

Die Chancen **Ihrer Partnerin**, am neuen Ort eine Stelle zu finden, sind gering und die Verdienstmöglichkeiten Ihrer Partnerin sind im Vergleich zum hiesigen Arbeitsmarkt dort höher.

## Survey Design and Sample

### Design of the survey:

- CAPI-Interviews with both partners.
- Ten vignettes each (in total fractional design of 200 different vignettes), random allocation.
- Additional collection of respondents' characteristics (employment situation, history and organization of the partnership).

### Sample:

- couples with one joint household, both partners at least 50% employed, no children < 16 years, about 25 to 40 years old.
- N = 183 couples.

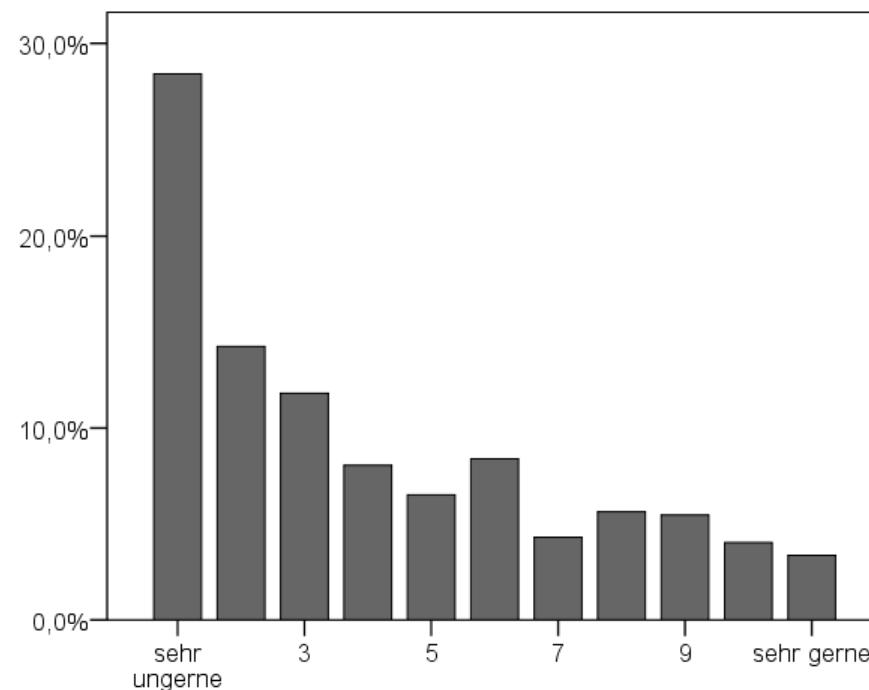
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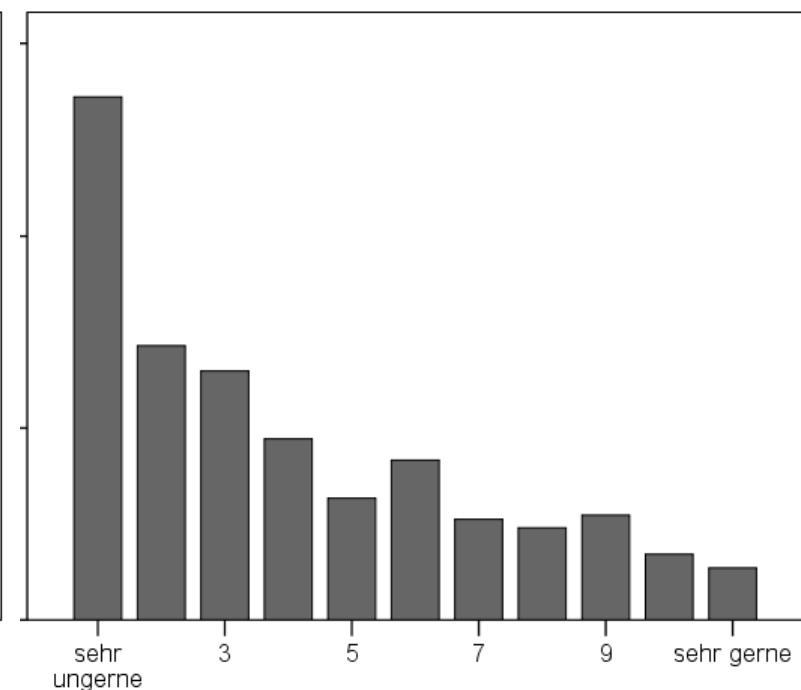
## Descriptive Results (1/2)

- High response rates  
(willingness to move: 8 resp. 9 missings for 1830 presented vignettes).
- Enough variance in the dependent variables.

**Willingness to move:  
own job offer**

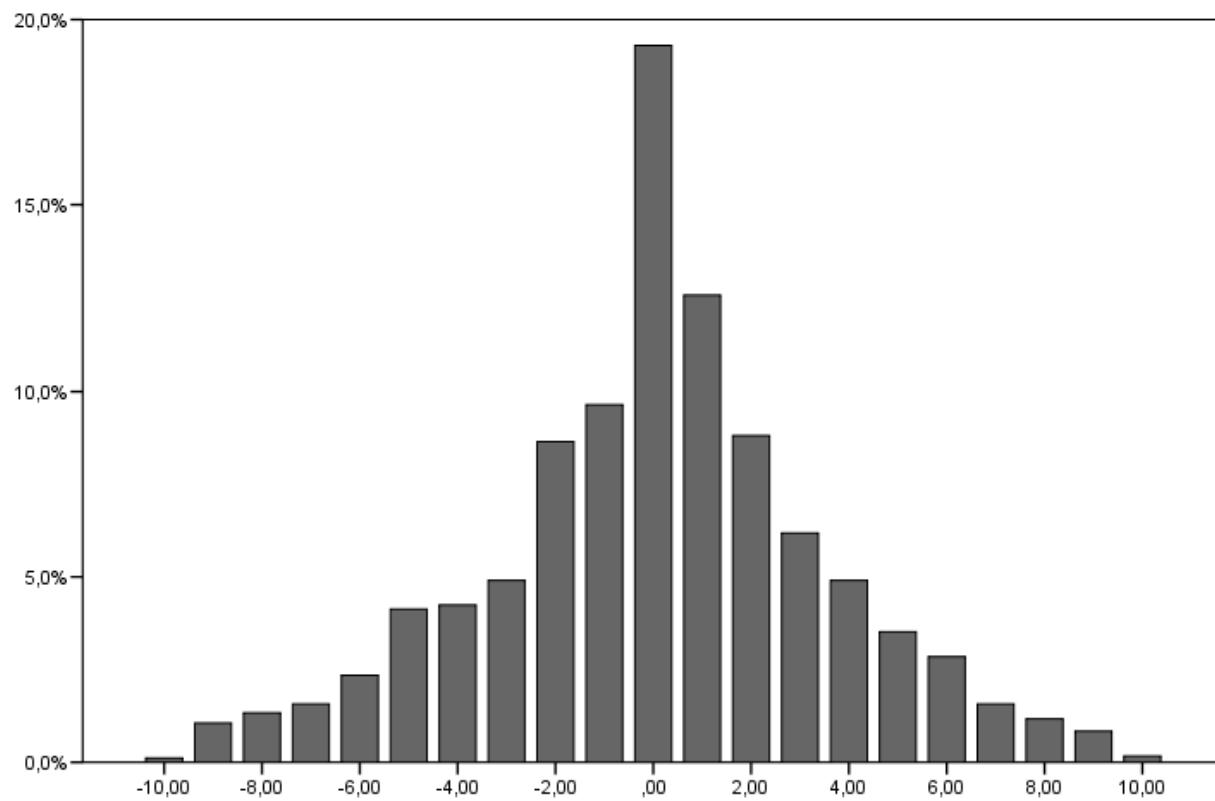


**Willingness to move:  
partner gets job offer**



## Descriptive Results (2/2)

Potential for conflicts  
(difference of the two willingnesses to move)



# Test of the Hypotheses (1/4)

Random intercept models of the willingnesses to move

	Willingness to move: own job offer	Willingness to move: partner gets job offer
<b>Vignettes' Characteristics</b>		
Gain of income [percent]	0.298***	0.244***
Career prospects (ref.: none)		
- some	0.777***	0.408***
- many	1.040***	0.709***
Commuting time [hours]	0.029	-0.050
Only reachable by car (ref.: also by train)	-0.099	-0.085
Employment prospects for the tied mover at destination (ref.: little)		
- moderate	0.441***	0.846***
- good	1.149***	2.142***
Income prospects for the tied mover at destination (ref.: smaller in comparison with the actual location)		
- equal	0.630***	0.621***
- better	0.914***	1.549***
<b>Respondents' Characteristics: here not tabulated</b>		
Observations	1763	1773

\* p<0.1, \*\* p<0.05, \*\*\* p<0.01 (two-tailed test)

## Test of the Hypotheses (2/4)

Random intercept models of the willingness to move (continued)

	Willingness to move: own job offer	Willingness to move: partner gets job offer
<b>Respondents' Characteristics</b>		
Female respondent	-0.597*	-0.429
Age	-0.034	-0.053
Real estate property	-1.516***	-0.810**
Interview conducted in Switzerland	-0.001	-0.109
Duration of residency [years]	-0.031**	-0.021
Income [1000,- Euro]	0.183	0.133
University graduate	0.385	-0.075
Fixed-term employment	0.161	0.587
Duration of Employment [years]	0.032	0.023
Employment is regarded as secure	-0.718*	-0.264
Friends live more than 30km away	0.241	0.081
Constant	3.537***	3.597***
Observations	1763 (177 couples)	1773 (178 couples)

\* p<0.1, \*\* p<0.05, \*\*\* p<0.01 (two-tailed test)

## Test of the Hypotheses (3/4)

Random intercept model of the „potential for conflicts“

	Potential for conflicts (absolute difference between the two willingnesses to move)
<b>Vignettes' Characteristics</b>	
Gain of income [percent]	0.129***
Career prospects (ref.: none)	
- some	-0.072
- many	0.315**
Commuting time [hours]	0.005
Only reachable by car (ref.: also by train)	0.013
Employment prospects for the tied mover at destination (ref.: little)	
- moderate	0.061
- good	0.376***
Income prospects for the tied mover at destination (ref.: smaller in comparison with the actual location)	
- equal	0.056
- better	0.446***
<b>Respondents' Characteristics: here not tabulated</b>	
Observations	1747

\* p<0.1, \*\* p<0.05, \*\*\* p<0.01 (two-tailed test)

## Test of Hypotheses (4/4)

Random intercept model of the „potential for conflicts“ (continued)

	<b>Potential for conflicts (absolute difference between the two willingnesses to move)</b>
<b>Respondents' Characteristics</b>	
Interview conducted in Switzerland	0.419
Real estate property	-0.196
Married couple	-0.225
Duration of cohabitation [years]	-0.075**
Mean income [thousand Euros]	-0.337*
Income difference [thousand Euros]	0.182
Mean age	0.028
Age difference	-0.002
Constant	1.410
Observations	1747 (176 couples)
Goodness-of-fit	
- Log likelihood	-3802.971
- LR chi <sup>2</sup>	68.07***

\* p<0.1, \*\* p<0.05, \*\*\* p<0.01 (two-tailed test)

## Summary of Results

Most of our results are consistent with the bargaining approach:

- A high willingness to move requires improvements (or at least preservations) of the bargaining power of *both* partners (here operationalized by the employment opportunities).
- Shifts of *own* (bargaining-)options are in each situation more heavily considered than those of the partner.
- The potential for conflicts (the difference between the both willingnesses to move) declines with the stability (duration) of the partnership.

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## Discussion and Further Research (1/2)

Still there are several methodological restrictions / open questions:

- Studying hypothetical decisions:
  - Social desirability bias?
  - More general: how valid are factorial surveys?
  - There is still a need of fundamental research regarding these questions.
- No random sample of couples.

## Discussion and Further Research (2/2)

Next steps:

- Additional statistical analysis and sampling of further couples (partly couples with children; experimental split with an additional vignette dimension concerning childcare opportunities).
- Starting DFG-Project: „Der faktorielle Survey als Instrument zur Einstellungsmessung in Umfragen“  
Thomas Hinz / Katrin Auspurg, Universität Konstanz  
Stefan Liebig / Carsten Sauer, Universität Duisburg

**Many thanks for your attention!**

[katrin.auspurg@uni-konstanz.de](mailto:katrin.auspurg@uni-konstanz.de)

[thomas.hinz@uni-konstanz.de](mailto:thomas.hinz@uni-konstanz.de)

[abraham@soz.unibe.ch](mailto:abraham@soz.unibe.ch)

## Literature

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