It’s not (all) about the money: What are prospective returners willing to accept for a job?
Evidence from a factorial survey among mothers

1 Introduction

Findings on wage penalty for motherhood: women with children earn a substantial part less (in Germany up to 24 per cent) than men and also women without children. Empirically tested reason for wage penalty: less work experience and human capital depreciation during interruption, part-time work, and discrimination. Less empirically tested is selection into jobs: mothers select themselves into jobs with more favorable characteristics and those mother friendly jobs are paid less (cf. Felfe forthcoming).

Research questions
- How important are non-monetary job-characteristics compared to monetary job-characteristics for a (potential) return?
- Are their heterogeneities between women with different characteristics?

2 Theoretical Considerations and Hypotheses

Theoretical Considerations: Becker (1991): mothers seek jobs that are less demanding and allow for a better reconciliation of work and family. England and Budig’s (2001) theory on compensation wage differentials (CWD): Some jobs are more desirable because they are “interesting, safe, pleasant or otherwise satisfying” (p. 69); these jobs are also taken for lower wages instead of more burdensome jobs. CWDs are dependent on the tastes for non-monetary job amenities and disamenities. Due to heterogeneities between individuals e.g. levels of educational attainment not all individuals are expected to have the same taste (Becker 1993).

- H 1: The higher the wage-loss, the less likely it is that the searcher is going to accept the job-offer.
- H 2: The more amenities non-monetary bear, the more likely it is that the searcher is going to accept the job-offer.
- H 3: Non-monetary job-characteristics are expected to compensate for the wage loss.
- H 4: The higher the level of educational attainment, the less likely it is that the searcher is going to accept disamenities.

3 Data

Background Information and Sample
- joint model project PWE (“Perspektive Wiedereinstieg”) of the BMFSFJ and the Federal Employment Service (Bundesagentur für Arbeit BA)
- women (project participants and comparison group generating with matching techniques) who have interrupted employment for at least three years (average interruption duration 11 years) but want to return / become active again

Factorial survey
- orthogonalization of dimensions (main level and first order interactions): resolution V design (Dümler 2007; Kuhfeld 2008; Kuhfeld 2009, 2010)
- D-efficient design: reduction of vignette universe (N=973) to 200 vignettes, allocation of ten vignettes to each participant.

4 Sample Vignette, Variables and Method

Method: linear random intercept model (Rabe-Hesketh & Skrondal 2008)

5 Main Results

Vignette variables | Average job-acceptance rate 74.9 per cent | Explained Variance
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phase: just started ref. already searching for | -1.2 | 0.00
working hours: more than planned ref. according to wishes | -3.0** | 0.01
working hours: less than planned ref. | -3.0** | 0.01
commuting time: 20 minutes ref. 15 minutes | -1.4** | 0.01
commuting time: 45 minutes | -1.4** | 0.01
job: 10 per cent less ref. according to previous job | -2.0*** | 0.00
job: 30 per cent less | -2.0*** | 0.00
working hours: flexible ref. fixed | -1.8*** | 0.00
working hours: flexible ref. fixed | -1.8*** | 0.00

References