

Interrelationships among Four Labour Market States, Subjective Life Satisfaction, Personality
and Values and Attitudes

Abstract

Submitted to the

9th International German Socio-Economic Panel User Conference (SOEP2010)

By

Eileen Trzcinski
e.trzcinski@wayne.edu
Wayne State University
School of Social Work

And

Elke Holst
eholst@diw.de
German Institute for Economic Research

This paper incorporates personality constructs and attitudes and values into a human capital model that examines that the extent to which gender differences exist in the determination of four distinct labour market states: (1) employment in high level managerial or leadership positions, (2) employment in non-high level positions, (3) unemployment and (4) not in the labour force. It also examines the extent to which life satisfaction is predicted by each of these four labour market states. This paper uses a two-level multinomial logit hierarchical linear model (HLM) to examine the links between the four labour market outcomes and a range of personality constructs, values and attitudes, human capital variables, and demographic variables. It also uses a two-level HLM to predict subjective life satisfaction where the four categories of work status are included as predictor variables. The HLM analyses are based on pooled, cross sectional data for life satisfaction and work status from 2001-2006 estimations; the models were estimated separately for women and for men. The sample was limited to individuals who were 28 to 60 years of age in 2001. Specific predictor variables included the Big Five personality traits, a measure of risk taking in career, locus of control, and a set of variables measuring values and attitudes regarding level of materialism,

orientation towards professional success, importance placed on family and home and the importance of family engagement. Systematic differences as well as marked similarities were observed for women and men in terms of outcomes and processes dealing with subjective life satisfaction, personality traits, values and attitudes and work status. For example, a clear hierarchy existed among men in terms of how labour market status influenced subjective life satisfaction but only women who were unemployed reported lower levels of subjective life satisfaction compared with women in other labour market states.