

Context & Literature

- Policy truism: schedule autonomy as a key facilitator of equal outcomes for women workers and workers with caregiving responsibilities (e.g. EHRC 2017)
- Varying operationalisations: Time-in-lieu, employee-reported working time arrangements, self-reported level of work-family conflict in work-time planning
- Outcomes studied: job satisfaction, future income/overtime, wage differentials
- **Experimental evidence** on willingness to pay: Mas and Pallais, 2018

Contribution

- **Direct** evidence on willingness to pay, circumventing a range of endogeneity issues associated with hedonic methods
- **Clear** definition and measurement of **worker-led** flexibility
- Close to **representative** sample
- Explore importance of schedule autonomy for **within-job decisions** of employed workers

Data

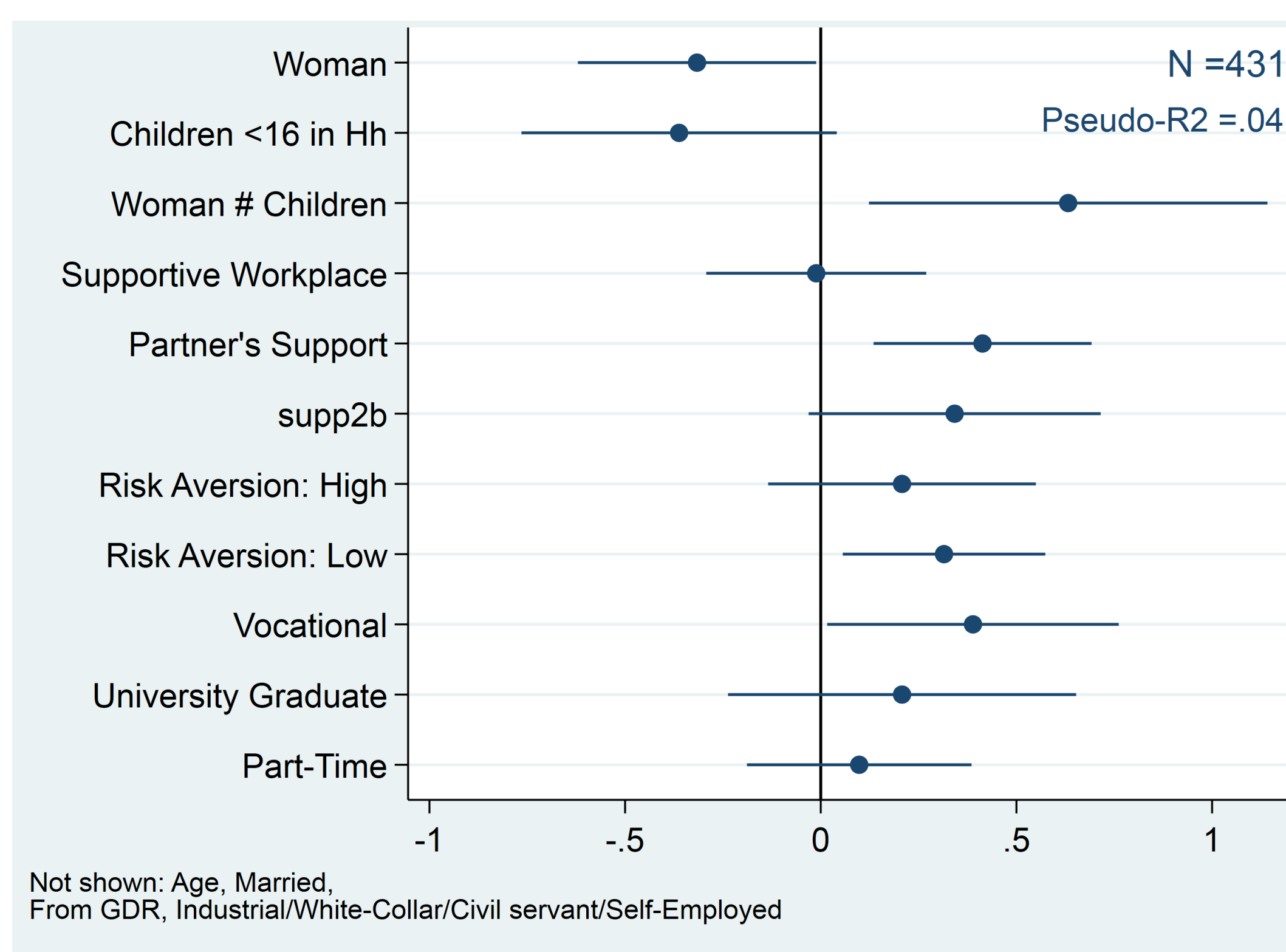
- **2010 SOEP Pretest**: ca. 1,300 individuals, **separate** sample from main household panel, drawn from same population according to same rules
- Reservation wages, stated preferences, current job characteristics, expectations
- Main question of interest: “How high would your net income have to be to accept a job offer, if ...
 - ... the new job had a fixed start and end of daily working time?”
 - ... you did not have a formal working pattern but you could arrange your own working hours?”
- Preceding question: Reservation wage for a job similar to current one (including similar hours)

Taking Back Control:

Trade-offs between wages and schedule autonomy

Worker Characteristics & Willingness to Pay

- High share of zero WTPs: no preference or unwillingness to trade off, rounding, uncertainty about interpreting question, reference point effects on reporting (locking-in of first reservation wage elicited), ...
- Mas and Pallais find a majority not willing to trade off in experimental setup
- Zero-WTP individuals observably similar to positive-WTP individuals
- Treat WTP as categorical to deal with zeroes and outliers: Negative, Zero, Low (<8%), Intermediate, High (> 20%) → Ordered Probit



- Willingness to pay for autonomy significantly predicts a preference for worker-led and against employer-led schedules in ordinal **preference** measures over four schedule types, controlling for demographics

Real Schedule Arrangements

Workers in flexitime schemes

- have a higher willingness to pay
- would require compensation for a fixed-hours jobs compared to their current job
- have a willingness to pay for full autonomy, over and above their current job type

No such effects for informal schedule arrangements

- “Hierarchy of needs”: Variability → Predictability → Autonomy

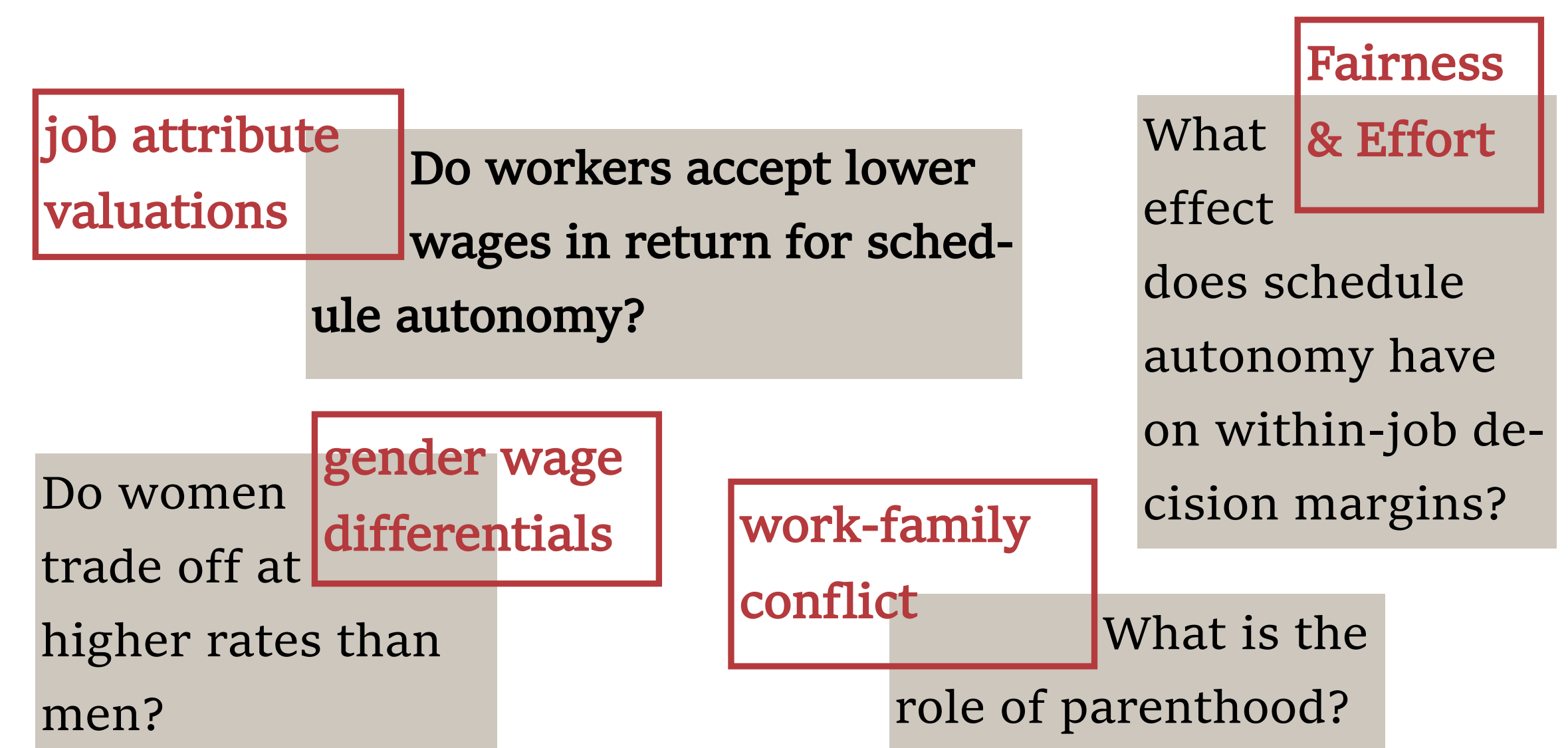
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Dissertation title: The Role of Non-Wage Job Characteristic as Determinants of Women’s Wages and Employment Patterns in Labour Markets Characterised by Search

At a Glance

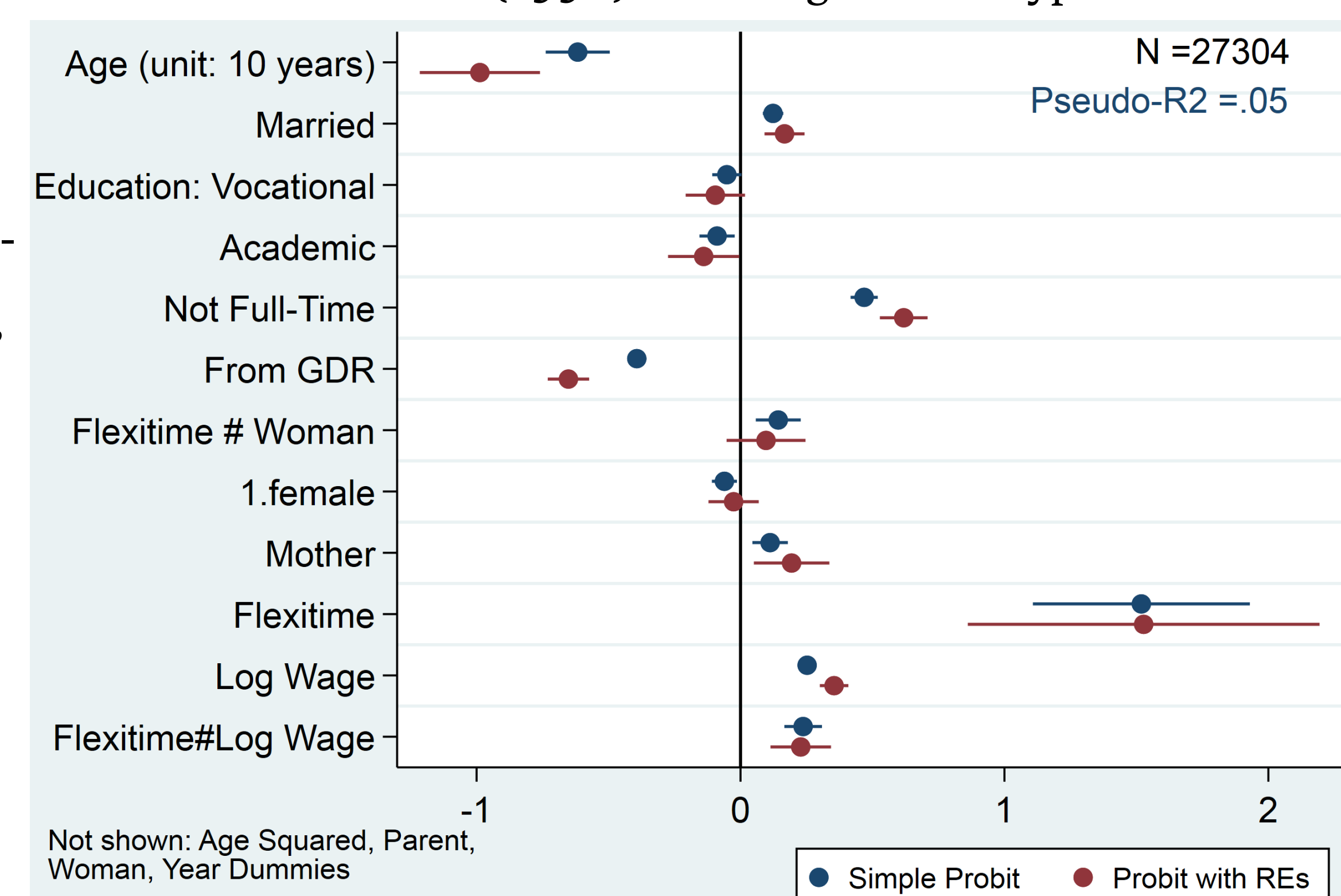


Fairness & Effort

- gift exchange paradigm → Akerlof and Yellen (1990): fair wage-effort hypothesis
- test fairness perception using 11-point scale in Pretest and binary variable in 2007, 2009 and 2011 waves of main panel sample

Using self-reported measures of loyalty and effort in Pretest:

- workers on flexitime schemes report significantly more loyalty towards their employer
- more likely to report “above-and-beyond” effort, but effect is not robust
- highly skewed distribution of self-reported effort



Expectations & Reference Points

- Idea: Asymmetrical utility over gains and losses
- Psychological barriers, spending commitments, home production arrangements
- Expectations = better measure of reference points than status quo (Rabin and Kőszegi 2006)
- Model predicts decrease in job mobility: Change in experienced utility can be outweighed by gain-loss utility
- Evidence: If expected schedule is flexitime, WTP for autonomy ↑