Do Employer Preferences Contribute to Sticky Floors?

Stijn Baert

Ann-Sophie De Pauw

Nick Deschacht

Glass Ceiling

Women are less likely to reach top of job ladder.

Related to differentials at top of wage distribution.

Sticky Floors

Women are less likely to (start to) climb job ladder (Booth et al., 2003, European Economic Review).

Related to gender differentials at bottom of wage distribution.

Evidence for Sticky Floors found in Australia (Johnston & Lee, 2012, Industrial Relations), Belgium (Deschacht, 2011), Italy (Filippin & Ichino, Labour Economics, 2005), Thailand (Fang & Sakellariou, 2005, Asian Economic Journal) and the United States (Baker, 2003, Journal of Labor Research).

Research question

Do Employer Preferences Contribute to Sticky Floors?

Policy relevance: determine the nature of Sticky Floors in order to design adequate policy actions.

Contribution to the literature: based on literature unclear whether Sticky Floors result from (i) gender differences in human capital, (ii) employee preferences or (iii) employer preferences.

Aim: investigate employer preferences in explaining Sticky Floors keeping human capital and employee preferences constant.

Research question

Do Employer Preferences Contribute to Sticky Floors?

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Research hypothesis

Hypothesis: employers discriminate more against women when they apply for jobs implying a promotion.
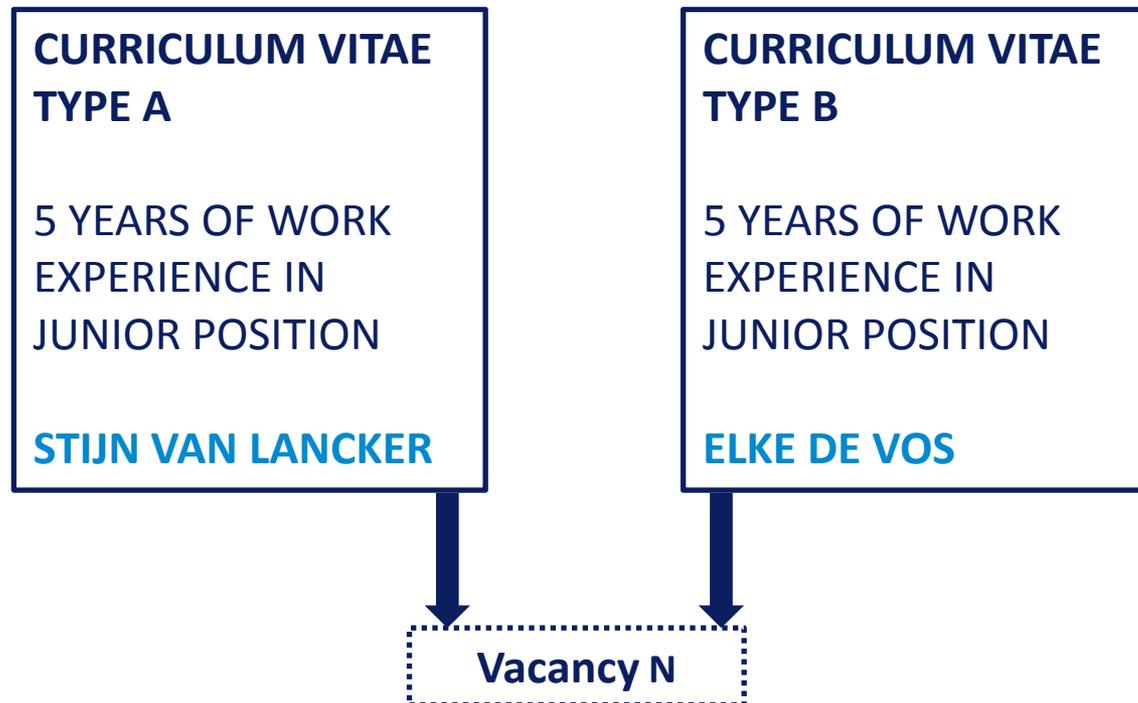
Underlying theories: distaste (à la Becker, 1957) to collaborate with women in higher positions or statistical discrimination (à la Arrow, 1973) related to match with "masculine" characteristics.
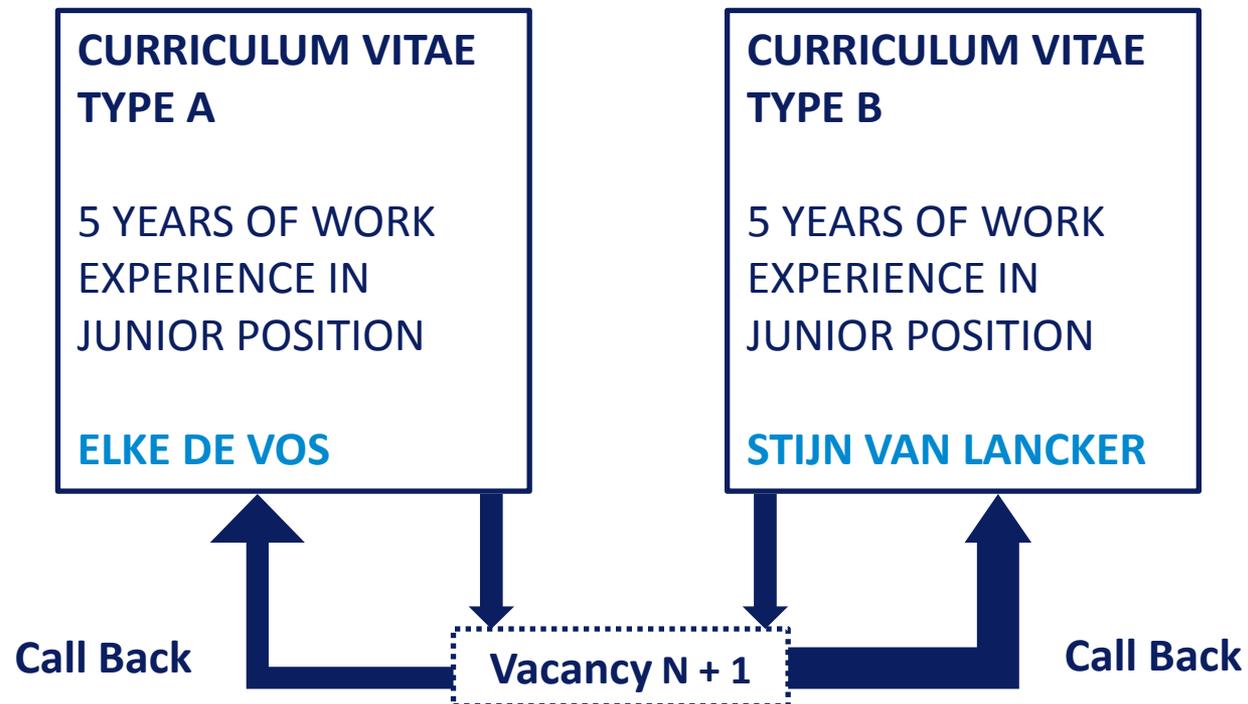
Correspondence test

- **Fictitious job applications are sent to real job openings.**

  - These applications differ only by a ground for discrimination.

  - By monitoring the subsequent callback, unequal treatment is identified.

- **"Golden standard" to identify discrimination in the labour market**

  - Employer discrimination is disentangled from supply side determinants of LM outcomes.

  - Selection on unobservable characteristics is not an issue.

- **Bertrand and Mullainathan (2004, American Economic Review) is seminal study.**

Experimental design (1)

CURRICULUM VITAE
TYPE A

5 YEARS OF WORK
EXPERIENCE IN
JUNIOR POSITION

STIJN VAN LANCKER

CURRICULUM VITAE
TYPE B

5 YEARS OF WORK
EXPERIENCE IN
JUNIOR POSITION

ELKE DE VOS

Vacancy N

Baert et al. (2014) Do Employer Preferences Contribute to Sticky Floors?

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Experimental design (2)

CURRICULUM VITAE TYPE A	CURRICULUM VITAE TYPE B
5 YEARS OF WORK EXPERIENCE IN JUNIOR POSITION	5 YEARS OF WORK EXPERIENCE IN JUNIOR POSITION
ELKE DE VOS	**STIJN VAN LANCKER**

Call Back

Vacancy N + 1

Call Back

Promotion dimensions

- 576 x 2 job applications.

- **Promotion dimension 1: occupational level.**

  - Based on information in vacancy: match with occupation in ISCO-08.

  - Promotion: new job at higher ISCO-08 1-digit level.

- **Promotion dimension 2: job authority.**

  - Classification in three levels of job authority (Hachen, 1990).

    - No authority.

    - Supervision authority.

    - Supervision authority and influence on wage or promotion opportunities of others.

  - Promotion: new job with at least supervision authority.

Descriptive analysis (1)

Results: invitation for job interview				
	Call back male	**Call back female**	**Call back ratio**	t-value
All jobs	11.0%	10.0%	**1.11**	0.80
Breakdown by occupational level promotion dimension				
Same level	10.9%	13.3%	**0.82**	1.23
Higher level	11.0%	7.3%	**1.50****	2.13
Breakdown by job authority promotion dimension				
No authority	12.5%	11.3%	**1.11**	0.67
Job authority	8.9%	8.1%	**1.11**	0.45

Standard errors are corrected for clustering of the observations at the vacancy level. *** indicates significance at the 1% significance level, ** at the 5% significance level and * at the 10% significance level.

Descriptive analysis (2)

Results: any positive reaction				
	Call back male	Call back female	Call back ratio	t-value
All jobs	25.9%	25.0%	1.04	0.51
Breakdown by occupational level promotion dimension				
Same level	25.4%	29.8%	0.85	1.61
Higher level	26.2%	21.3%	1.23**	2.28
Breakdown by job authority promotion dimension				
No authority	26.8%	27.7%	0.97	0.39
Job authority	24.6%	21.4%	1.15	1.30

Standard errors are corrected for clustering of the observations at the vacancy level. *** indicates significance at the 1% significance level, ** at the 5% significance level and * at the 10% significance level.
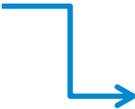
Regression analysis

The Probability of Positive Call-back : Linear Probability Estimates

	Probability of invitation	Probability of any positive reaction
Female candidate	-0.012 (0.013)	-0.010 (0.018)
Female x Promotion in job level	-0.106** (0.049)	-0.109* (0.062)
Female x Promotion in job authority	0.063 (0.044)	0.025 (0.052)
Female x First application within pair	0.068 (0.048)	0.163** (0.070)
Female x Application Type B, Master	0.061 (0.063)	0.093 (0.097)
Female x Application Type B, Bachelor	0.044 (0.071)	0.051 (0.102)
Female x Master's degree	-0.032 (0.053)	-0.046 (0.080)
Female x Temporary contract	0.071 (0.059)	0.059 (0.090)
Female x Part-time contract	0.019 (0.053)	-0.006 (0.074)
Female x Male recruiter	-0.002 (0.036)	-0.066 (0.046)
Female x Log(average FTE in firm)	0.017 (0.017)	-0.002 (0.022)
Female x % females in occupation	-0.002 (0.017)	0.032 (0.021)
Female x Average wage in occupation	0.009 (0.024)	0.021 (0.031)
Sector FE x female candidate	Yes	Yes

Variables interacted with "Female candidate" are also included without interaction. Except for "Female candidate", all variables are normalised by subtracting the mean among the population of female candidates. Continuous variables are further normalised by dividing by the standard deviation. Standard errors, corrected for clustering at vacancy level, are in parentheses. ***(**)((*)) indicates significance at the 1%(5%)((10%)) level.

Read more

- We sent out fictitious job applications to test whether employers discriminate more against women applying for promotion jobs.
  - Women get less call back when they apply for jobs at a better ISCO level.

- This does not rule out that also differences in **employee preferences** may underlie sticky floors.
  - Deschacht, N., De Pauw, A.-S., Baert, S. (2014): Sticky Floors: Are Women Less Focussed on Making Promotion? Mimeo.

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Stijn Baert
Ann-Sophie De Pauw
Nick Deschacht

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Forschungsinstitut
zur Zukunft der Arbeit
Institute for the Study
of Labor