



**Maynooth  
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# Job Mobility in Germany and the UK: Dimensions of Career Progress or Basic Bargains? Key points from a PhD Thesis

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# Outline

- Thesis
- (Some) Theory
- Patterns of Mobility
  - 1<sup>st</sup> point
- Outcomes and Variance
  - 2<sup>nd</sup> point
- Findings
  - 3<sup>rd</sup> point
- Quick discussion

# Thesis

- I estimate job mobility's effects on Outcomes in Germany and the UK
- Research Question “What do workers get out of job mobility?”
- Aims:
  - How does mobility affect outcomes? Do internal or external changes reward workers?
  - What are the differences between workers? Are all affected by mobility positively/negatively?
  - Do institutions play a part in shaping the relationship between mobility and outcomes?
- I run parallel case studies using SOEP/BHPS panels for the years 2000-2008 (pre-crisis).

# Sørensen's (1975) Theory of Attainment

- Individual level of analysis
- Job seekers aim to maximise “reward” using their (unchanging) individual resources to move to “better jobs”
- Job mobility stems from a mismatch between a respondent's resources (education) and their reward (pay and conditions)
- The change in resources after a move, shows the closing of the gap between resources and reward (the social process of attainment). Voluntary job mobility leads to increased pay, status, and conditions.

# Key findings which support the story

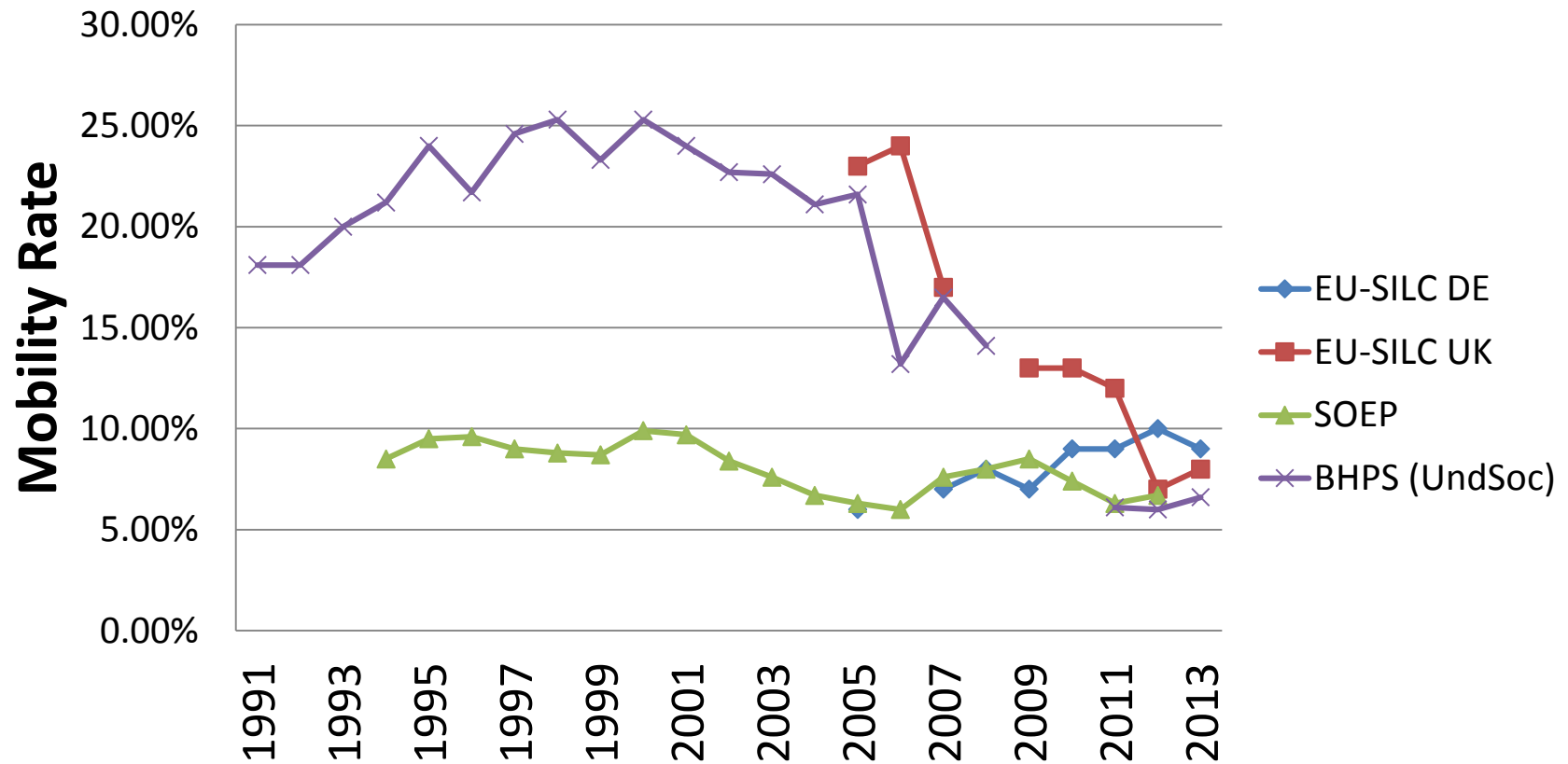
- Variance of outcomes
  - Germany; less variance between and within workers
  - UK more variance between and within workers
- Voluntary Mobility and Outcomes
  - Germany; voluntary mobility near no effect on subjective outcomes. Intra-firm voluntary mobility has a positive effect on objective outcome
  - UK; voluntary mobility has a positive effect on subjective outcomes. Very weak and minor effect on objective outcomes

# Key findings which support the story

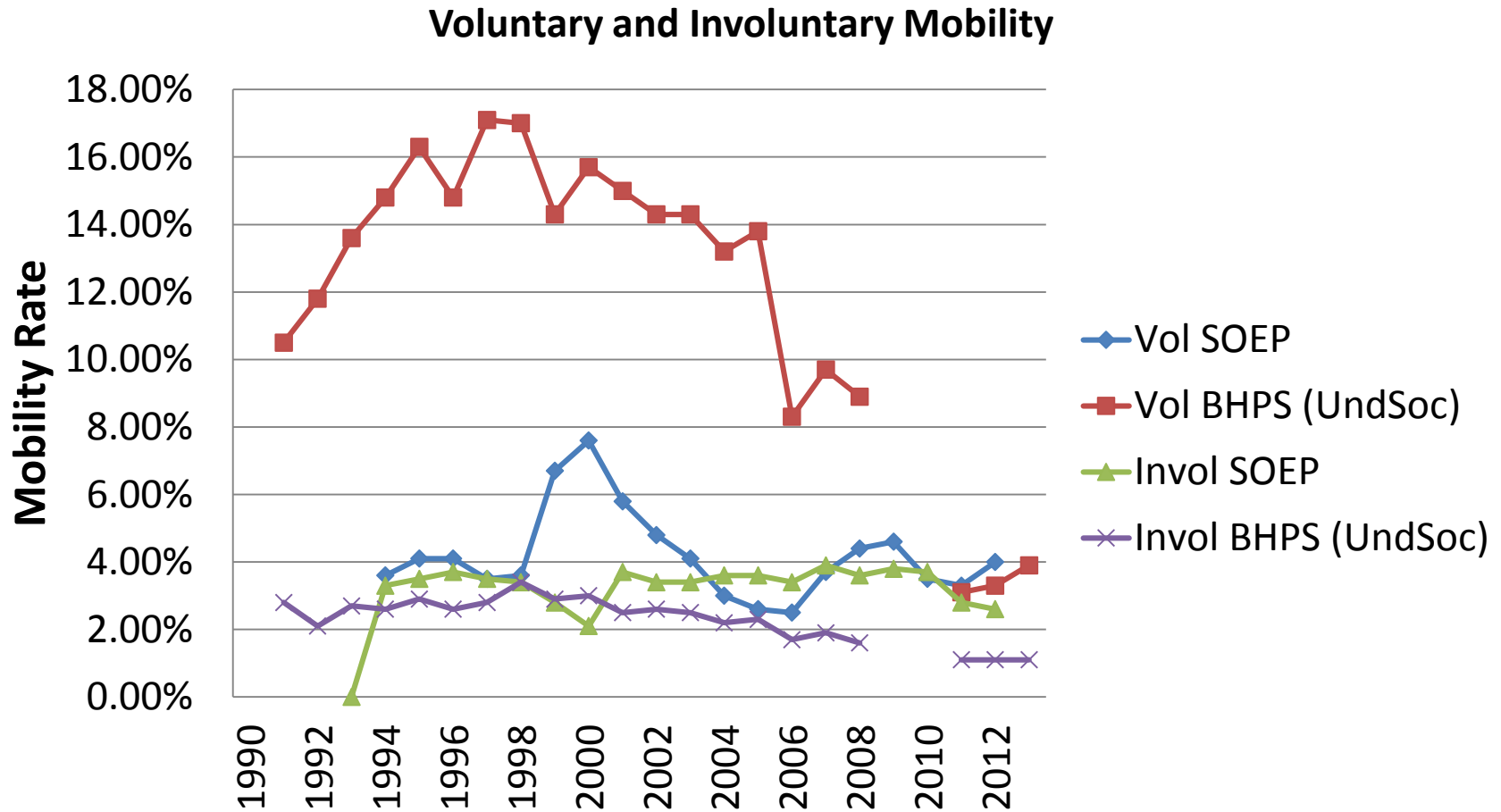
- Involuntary Mobility and Outcomes;
  - Germany; involuntary mobility has no effect on subjective outcomes. Involuntary mobility has no effect on objective outcomes. Workers protected.
  - UK; involuntary mobility has no effect on subjective outcomes. Strong negative effect on objective outcomes especially pay.

# Mobility differs by country, but...

## Basic Job Mobility



# The difference lies in voluntary change...





# Mobility Findings

- The UK has more mobility than Germany
- **Most of this difference is the product of voluntary change between and within firms.**
- Involuntary mobility between countries is similar, almost comparable.
- Inter-firm mobility most common in both countries, not intra-firm movements.

German Socio-Economic Panel		Mean	Std. Dev.	Min	Max	Observations
Log of gross monthly pay	overall	7.80	0.52	5.03	10.82	N = 34686
	between		0.50	5.68	9.67	n = 4334
	within		0.17	5.77	10.59	Tbar = 8.00323
z_paysatisfaction	overall	0.00	0.95	-3.14	1.65	N = 38434
	between		0.75	-3.04	1.65	n = 4444
	within		0.59	-3.57	3.57	Tbar = 8.64851
British Household Panel Survey		Mean	Std. Dev.	Min	Max	Observations
Log of gross monthly pay	overall	7.30	0.67	3.31	11.19	N = 31147
	between		0.62	4.32	9.44	n = 3748
	within		0.26	4.15	9.69	Tbar = 8.3103
z_paysatisfaction	overall	0.00	1.00	-2.92	1.38	N = 31765
	between		0.69	-2.92	1.38	n = 3760
	within		0.72	-3.67	2.95	Tbar = 8.44814

# Outcome Findings

- Most outcomes similar to pay.
- In the UK larger difference between workers than in Germany (satisfaction with pay is an exception)
- But crucially, in the UK larger differences within workers than in the UK
- Outcomes are less predictable in the UK, than Germany.

# Pay and Satisfaction with pay in the United Kingdom

	Satisfaction with pay	Log pay
Inter-firm voluntary	+ (***)	+ (***)
Inter-firm involuntary	/ (.)	-- (***)
Intra-firm voluntary	+ (***)	+ ( *)
Intra-firm involuntary	/ (.)	-- (**)
Observations	31,463	31,490
R-squared	0.07	0.18
Number of pid	6,917	6,920
Weight	clustered SE	clustered SE

# Pay and Satisfaction with pay in Germany

	Satisfaction with pay	Log pay
Inter-firm voluntary	/ (.)	-(*)
Inter-firm involuntary	/ (.)	/ (.)
Intra-firm change	/ (.)	+ (***)
Observations	32,749	30,013
R-squared	0.10	0.18
Number of pid	4,180	4,066
Weight	w11103	w11103

# Satisfaction with work and hours in the UK

	Satisfaction with hours	Weekly hours
Inter-firm voluntary	+ ++ (***)	+ (***)
Inter-firm involuntary	/ (.)	/ (.)
Intra-firm voluntary	+ ++ (***)	+ ( *)
Intra-firm involuntary	/ (.)	/ (.)
Observations	31,463	31,490
R-squared	0.03	0.15
Number of pid	6,917	6,920
Weight	clustered SE	clustered SE

# Satisfaction with work and hours in Germany

	Satisfaction with work	Weekly hours
Inter-firm voluntary	++ (***)	-(*)
Inter-firm involuntary	++(**)	/ (.)
Intra-firm change	/ (.)	-(***)
Observations	32,749	30,013
R-squared	0.04	0.18
Number of pid	4,180	4,066
Weight	w11103	w11103

# Regression findings

- The UK is a dynamic labour market that deals with job mismatch first.
  - Subjective outcomes improve with voluntary change
  - Objective outcomes barely affected by voluntary change
  - Subjective outcomes unaffected by voluntary change
  - Objective outcomes strongly affected by involuntary change



# Regression findings

- Germany is a coordinated market where collective bargains have limited the returns tied to mobility especially inter-firm mobility.
  - Subjective outcomes improve slightly with voluntary change
  - Objective outcomes improve after internal changes.
  - Subjective outcomes unaffected by voluntary change
  - Objective outcomes unaffected by involuntary change.

# Thank You

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