

Abstract for Submission
to the first User Conference of the PASS panel survey

Katrin Auspurg, Thomas Hinz, Corinna Frodermann
(University of Konstanz)

Martin Abraham, Sebastian Bähr
(University of Erlangen-Nuremberg)

Stefanie Gundert
(Institute for Employment Research (IAB), Nuremberg)

In Germany the risk of precarious employment and low earnings capacities is distributed unequally. Older, low-qualified persons, women, and immigrants display significantly higher levels of (long-term) unemployment. These disparities can also be found on a regional level. The labour market structure, wages and unemployment levels differ significantly not only between East and West Germany, but also between northern and southern regions or between rural and urban areas.

For unemployed persons, this context can be expected to create strong incentives for interregional mobility. By extending their search radius they can increase their chances of (re-)employment. This argument is in line with predictions of standard economic theories. Even though unemployed individuals are likely to benefit substantially from moving, they display lower-than-average mobility compared to the general population.

So far, empirical research has been struggling to provide satisfying explanations to this paradox finding – not least because of insufficient data. In mobility surveys the groups most vulnerable to unemployment and precarious employment are often underrepresented. Another problem is the selectivity of job offers in real labour market observations. The probability of getting attractive job offers is positively related to individuals' qualifications and economic resources. Therefore, there are several explanations of why low-paid and unemployed individuals display relatively low levels of mobility. On the one hand, they might be offered less attractive jobs or lack information about job openings. On the other hand, their willingness to make concessions regarding job quality or the requirement to move might be lower. Thus it is difficult to disentangle the impact of two potential mechanisms behind regional mobility: group differences concerning the quality of job offers, on the one hand, and a group-specific willingness to move on the other hand.

These issues can be addressed by combining the PASS survey and a factorial survey design. As part of the DFG-funded research project “Precarious Employment and Regional Mobility” a factorial survey module was included into the fifth wave of PASS. Respondents were presented with five hypothetical interregional job offers (“vignettes”), which differed in experimentally varied characteristics like the expected income, working hours, or employment security. For each offer respondents were asked to evaluate separately the attractiveness of the job offer, their willingness to accept the job, as well as their willingness to move to the new location.

This experimental setting allows for a detailed study of the propensity for mobility of the unemployed based on a sufficient number of cases. The random allocation of vignettes ensures that respondents are presented with comparable job offers. Thus it is possible to observe the reactions of different groups while controlling for their differential access to job offers. These methodological advantages of the (quasi-) experimental design help us to explore the dynamics of the decision making process regarding the acceptance of inter-regional job offers.

This study is the first to examine this new data set, pursuing three aims. First, it proves the successful application of complex factorial survey instruments in a large scale general population sample and in the special context of surveying the unemployed. Second, we show descriptive insights from the factorial survey module on the question of job offer acceptance. Third, we compare respondents’ evaluations and the propensity to accept hypothetical job offers across different employment status groups to address the following three research questions:

1. Do employment status groups differ in their stated willingness to accept comparable job offers?
2. If so, can the differences be attributed to a) a general difference in the willingness to move? Or do they b) result from different weighing of factors like employment security or monetary gains? In other words, is there evidence for group specific rational decision making?
3. To what extent is this stated behaviour in accordance with rational choice and search theories?