

Reciprocity and job mobility: The effect of effort-reward imbalance on turnover intentions and actual job changes

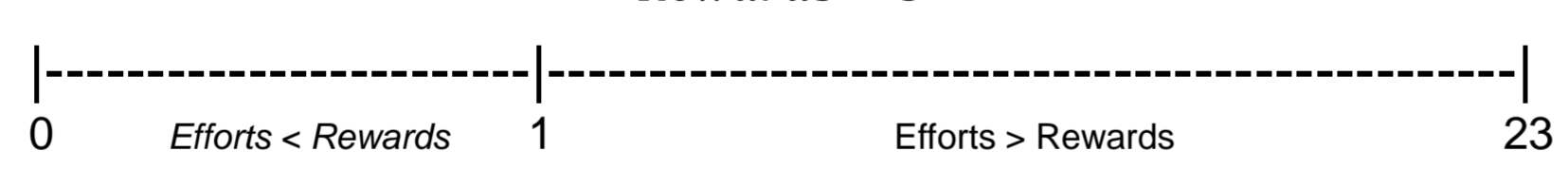
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Motivation & contribution

- Effort-reward imbalance (ERI) negatively affects the employees' well-being and health (e.g., de Jonge et al., 2000; Dragano et al., 2017; Rugulies et al., 2017)
→ Effects on employee behavior?
- Literature suggests increasing turnover intentions and actual job changes as a consequence (e.g., Söderberg et al., 2014; Dorenkamp & Weiß, 2018; Kinnunen et al., 2008; Leineweber et al., 2021)
- Weaknesses of existing evidence, which the present study aims to address:
 - Sample restrictions (size, occupational groups, specific regions)
 - Only one study analyses actual job changes
 - No study controls for unobserved heterogeneity
 - Scarce literature on mechanisms

Data & methods

- Panel study Labour Market and Social Security (waves 7-12)
- Analysis sample:** 4,686 gainfully employed in the age range from 18 to 54 with at least two obs. (N = 16,397); exclusion of marginal employed, self-employed
- Dependent variables:** Job search in last 4 weeks (0/1), job change in t+1 (0/1), job satisfaction (0-10), number of doctor visits in last 4 months (ln)
- Effort-reward scale:**

Scale	Item
Efforts scale (1-10)	I have constant time pressure due to a heavy workload
	I have many interruptions and disturbances while performing my job
	Over the past few years, my job has become more and more demanding
Rewards scale (1-22)	I receive the respect I deserve from my superior or a respective relevant person
	My job promotion prospects are poor (reverse coded)
	I have experienced or I expect to experience an undesirable change in my work situation (reverse coded)
	My job security is poor (reverse coded)
	Considering all my efforts and achievements, I receive the respect and prestige I deserve at work
ERI scale (0,11-23,33)	Considering all my efforts and achievements, my job promotion prospects are adequate
	Considering all my efforts and achievements, my salary / income is adequate
	$ERI = \frac{Efforts}{Rewards} \times \frac{7}{3}$ 

Note: Answer options for each item are strongly disagree (1), disagree (2), agree (3), strongly agree (4).

- Focus on intra-individual changes:

$$y_{it} - \bar{y}_i = \beta'(x_{it} - \bar{x}_i) + \epsilon_{it} - \bar{\epsilon}_i$$

For the binary measures, I use linear probability models with fixed effects (LPM FE)

Summary & conclusion

- Employees suffering from ERI intend to change or actually change jobs, which is partly explained by a reduction in job-related well-being
- No evidence that employees who suffer from ERI and intend to change stay unwillingly in the job
- Several tests (e.g., omission of single items, analysis with individuals that report at least good health when entering the sample) underline robustness of the findings

Failed reciprocity in the employer-employee exchange can be a driver of job mobility → costs for employers and employees

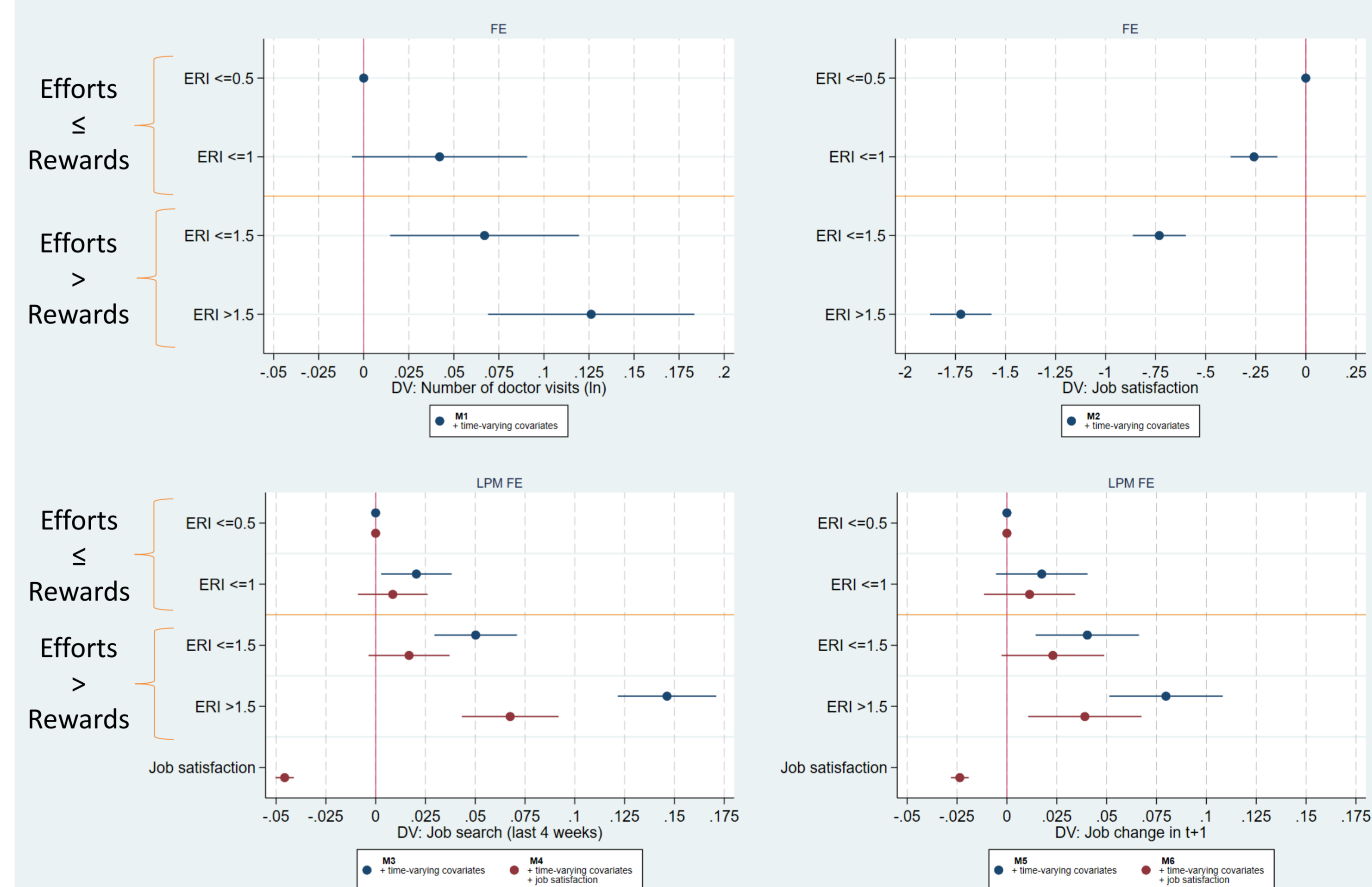
Theoretical framework



- ERI can lead to stress and negative emotions (Siegrist, 1996)
 - Negative effects on health and job satisfaction (van Vegchel et al., 2005)
 - Other job opportunities become more attractive (Pissarides & Wadsworth, 1994) → turnover intentions and job changes
 - However, enduring ERI exposure may negatively affect productivity so that employees unwillingly stay in the job → turnover intentions but no actual job changes (Böckermann, 2011)

Results

Estimates based on fixed effects models



- Rising efforts in relation to the rewards lead to...
 - an increased number of doctor visits
 - lower job satisfaction
 - a higher job search probability
 - a higher job change probability
- Effects on job searching and changes are mediated via job satisfaction (test of indirect effects with Sobel Test)
- Little evidence for effect heterogeneity (not displayed)