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## Understanding the added worker effect: A multiple methods interpretation

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# Understanding the added worker effect: A multiple methods interpretation

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## **Non-technical summary**

Social science research has two main traditions which fall into what are broadly known as quantitative and qualitative approaches to social enquiry. Quantitative methods typically use large scale data sources such as national surveys and use the data for statistical analysis to produce results that can be applied to the population as a whole. Qualitative research typically uses small samples chosen for specific characteristics that are of interest to the research. The phenomenon of interest is explored with individuals or communities to gain a deeper understanding of the processes and meaning behind people's behaviour but cannot be said to represent the population in general. More recently, mixed methods and multiple methods research has emerged to allow the benefits of both research approaches to be utilised.

According to economic theory there may be an 'Added Worker Effect' where, when one partner loses their job, their spouse enters the labour market or takes on additional hours to compensate. This paper uses a multiple methods approach to synthesise the findings from quantitative and qualitative elements of the same research project to enrich our understanding of couple's responses to job loss and how they react when one partner loses their job. The aim is to gain a fuller understanding of couples' responses pre and post the UK Great Recession and to explore the factors influencing couples' decision-making process when experiencing a job loss. The quantitative data finds significant differences in the pre and post-recession periods in how couples respond in terms of looking for work or altering their hours. However the Added Worker Effect is mainly a response of increased job search rather than translating into jobs during the recession. The qualitative data reveal the importance of other factors not measured in the quantitative data. Couples are reluctant to change the existing division of labour between home and work and most expressed a strong commitment to maintaining the established norms and gender roles within the household. The immediate strategies adopted following a job loss were designed to keep life as close to 'normal' as possible and avoid invoking any additional labour market response by the spouse unless this became essential due to financial constraints. This appears to be at least a partial explanation of why the Added Worker Effect is not observed to be as strong as might be expected. As the quantitative data show, combined with a weak labour market during a period of recession where job prospects are reduced, the main effect is an increase in looking for work that does not translate into getting work in most cases.

# **Understanding the added worker effect: a multiple methods interpretation**

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## **Abstract**

This paper provides an integrated interpretation of qualitative and quantitative data examining how couples respond when one partner loses their job. According to economic theory there may be an ‘Added Worker Effect’ where, when one partner loses their job, their spouse enters the labour market or takes on additional hours to compensate. The paper uses a multiple methods approach to gain a fuller understanding of couples’ responses pre and post the UK Great Recession and to explore the factors influencing couples’ decision-making process when experiencing a job loss. The paper is therefore a synthesis of findings produced by quantitative and qualitative elements of the same project and aims to explore where the findings from each methodological strand of the research can contribute to a better understanding of the dynamics of household decision making and couple’s labour supply responses to job loss.

**Keywords:** Couple-households, household labour supply, added-worker effect, recession, employment, mixed methods research.

**JEL Codes:** J22; J64

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## **1. Background**

The Added Worker Effect (AWE) has long been predicted by economic theory as a possible response to job loss and was identified more than fifty years ago in the 1940s (Bryan and Longhi, 2013). The AWE occurs where one partner in a couple enters the labour market or increases their hours in response to an unanticipated job loss or other employment shock of their partner, a response that may increase during times of recession, particularly if the couple cannot borrow or draw on savings. In these cases living in a couple provides a form of insurance against employment shocks as the economic risks can be shared. In most studies the AWE has been conceptualised as women substituting for loss of work by their male partner but in the research reported here, we examine both men's and women's responses.

One puzzle faced by many empirical studies to date is that the results are somewhat mixed and the AWE is often found to be smaller than theoretically expected, is a lagged response, or is not found at all. Some studies find small increases in women's labour market participation when their partner loses his job (Heckman et al. 1980; Lundberg 1985; Cullen and Gruber, 2000) but others find no AWE (Layard et al. 1980; Maloney 1987). Focusing on the spousal labour supply of displaced workers, i.e., those who experience job loss because their job permanently disappears, Stephens (2002) finds a small increase in US wives' labour supply in the time period leading up to the job loss and much larger increases in the post-displacement period. Looking at the current economic downturn, in a recession-prosperity comparison of US data from 2008/9 and 2004/5, Mattingly and Smith (2010) find that wives of husbands who became non-employed in the recent period of recession were more likely to start a job than previously, suggesting that wives may be taking on jobs that they would not have considered before.

Studies of the employment status of UK couples have found that unemployed men are less likely to have a partner who is in employment (e.g. Martin and Roberts, 1984; Davies et al. 1992; Irwin and Morris, 1993; Bingley and Walker, 2001) but others have found that the employment gap between women with employed or unemployed partners is reducing over time (Harkness and Evans, 2011). Furthermore, before the recession of 2008/9 women tended to work fewer hours per week on average if their partner was not employed compared to working women with employed partners. By contrast, during the UK economic downturn women with a non-employed partner tended to work more hours on average during the 2008/9 period than those with employed partners (Harkness and Evans 2011).

There are a number of reasons why the AWE may vary across studies including if couples expect any job loss to be temporary, the two partner's non-market or leisure time is complementary so more valuable to them, or they have savings or other resources they can draw on to tide them over in the short-term. In addition, if the local labour market is weak this may not only induce the initial job loss but also make it harder to find work or for a partner to increase their hours (Bryan and Longhi, 2013). There may also be a 'discouraged worker effect' where the job market is perceived to provide so few opportunities that job seekers are discouraged from even looking for work. While welfare and public assistance programs may provide temporary support, the disincentives within the UK tax and benefit systems for women to continue working when their partner is unemployed have been well documented (Layard, Barton et al. 1980; Moylan et al. 1984; Dilnot and Kell, 1987; Bingley and Walker 2001; McGinnity 2002). The AWE may also depend on negotiations between couple members about how time is spent on domestic labour and paid employment. In a qualitative study of unemployed workers in Hartlepool, Morris (1987) argued that the wife's role as an earner or potential earner continued to be viewed as peripheral by couples even when the male earner was unemployed. A more recent qualitative study of US steelworkers also finds that employment responses continue to be structured by existing gender roles and norms within the couple (Legerski and Cornwall, 2010).

The advantage of using multiple methods to address the set of research questions surrounding the AWE is in providing nationally representative quantitative data on couples employment responses alongside qualitative information on the processes underlying those employment decisions and responses. This paper draws on research carried out using multiple methods to address the same set of core research questions around understanding the mechanisms behind the AWE response (or lack of) and the size of any effect pre and post the UK Great Recession. The aim of the paper is to identify where the findings from one analysis can inform and illuminate the findings from the other. The paper is therefore a synthesis of the findings produced by quantitative and qualitative elements of the same project and aims to explore where the findings from each methodological strand of the research can contribute to a better understanding of the dynamics of household decision making and couple's labour supply responses to job loss.

## **2. Mixed methods or multiple methods?**

There has been extensive discussion in the methodological literature in recent years as to the extent to which mixed methods research is a distinctive methodological approach within sociology, that is whether it is more than simply the combination of differing methodological approaches but constitutes a methodology in itself. For Leech and Onwuegbuzie (2009) mixed methods research “... *represents research that involves collecting, analyzing, and interpreting quantitative and qualitative data in a single study or in a series of studies that investigate the same underlying phenomenon*”.

This type of broad definition is commonly accepted across the literature and encompasses many potential research designs, data collection and data analysis strategies within it. In this sense it is similar to definitions of qualitative and quantitative research, both of which contain many variants and differing techniques of data collection and analysis within them. For Leech and Onwuegbuzie (2009) the difficulty for a methodology that is still in its adolescence is the wide range of designs used within mixed methods research, making clear identification of what is encompassed within the methodology problematic. Tashakkori and Teddlie (2003) note the variety of designs used and call for the development of an integrated typology of mixed methods research designs. The search for one over-arching typology of mixed methods research designs has therefore been a focus over a number of years (e.g. Creswell 2003; Caracelli and Greene, 1993; Morgan 1998; Tashakkori and Teddlie 1998, 2003; Maxwell and Loomis 2003; Leech and Onwuegbuzie 2009).

Despite the differences between the various typologies developed, the process of trying to define what constitutes mixed methods research has been helpful in making explicit the relationship between quantitative and qualitative approaches along the research continuum. Leech and Onwuegbuzie's 2009 typology is particularly useful as it distinguishes eight main research designs across three dimensions according to (a) level of mixing (partially mixed versus fully mixed); (b) time orientation (concurrent versus sequential), and (c) emphasis of approaches (equal status versus dominant status). The virtue of such a typology is that it is largely neutral in terms of debates around 'paradigm wars' and the philosophical and epistemological roots underpinning qualitative and quantitative approaches while enabling clarity about how qualitative and quantitative data are used and at what stages of the research this occurs. Clarity of research design also allows for what has come to be called a pragmatic approach to mixed methods research to develop (Cresswell, 2003; Morgan, 2007).

Pragmatism as an approach that evaluates theoretical hypotheses or expectations about the social world in terms of the success of their practical application is well-suited for a mixed methods methodology which is inherently concerned with understanding social complexity. While Denzin (2012) is somewhat sceptical about the viability of basing a research methodology on a philosophy of classical pragmatism, others argue for the validity of pragmatism as a research paradigm that supports the use of a mix of methods and modes of analysis (Onwuegbuzie and Leech, 2005) in order to produce “*socially useful knowledge*” (Feilzer, 2010, p 1). As Cresswell (2003) suggests a mixed methods approach can capture what is best about both quantitative and qualitative methods, allowing results to be generalised to a population while gaining a detailed understanding of the meaning of a phenomenon for individuals (Cresswell, 2003, p 22).

From this perspective there is no barrier to each element of a research project being conducted within its own methodological tradition while looking for connections which will substantially enhance and enrich our understanding of both the qualitative and quantitative findings, a necessary condition for any mixed methods research (Bryman, 2007). This does not in any way suggest that it is not important to respect the distinct research paradigms and recognise their strengths and weaknesses. Morgan (1998) points out the importance of a practical approach that

*...acknowledges the importance of paradigms because there is much to be gained from recognizing the deep epistemological differences between qualitative and quantitative approaches to the pursuit of knowledge. Mixing paradigms is indeed a risky business, but this should not be confused with combining methods within a clear-headed understanding of paradigms.* (Morgan, 1998, p.2)

More recently, Morgan (2007) argues that there is much to be gained from working back and forth between quantitative and qualitative approaches and testing the knowledge that has been produced within each distinct research tradition using alternative methods.

*Rather than each camp dismissing the others' work as based on wholly incompatible assumptions, our goal would be to search for useful points of connection. These are the kinds of opportunities that a pragmatic approach to social science research has to offer.* (Morgan 2007, p 71)

There have also been debates as to the meaning of ‘integration’ in mixed methods research and whether some research designs might be more properly called multiple methods rather

than mixed methods. There is some validity in this distinction as it points to the extent to which quantitative and qualitative methods are integrated throughout the research process or are used for triangulation and interpretation of results produced by differing methods (Denzin, 2012). Definitions of integration range from those such as Bryman (2007) who define integration fairly broadly contrasted with others who take the view that complementary or sequenced components in a study that do not involve complete integration at all stages of the research cannot be considered to be mixed methods in the purest sense (Yin, 2006). This latter definition of mixed methods is rather restrictive and may be problematic as it does not allow for the analytic advantages and disciplinary expertise which are inherent within each methodological approach to be fully exploited. For Denzin (2012, p 82) *“The use of multiple methods, or triangulation, reflects an attempt to secure an in-depth understanding of the phenomenon in question.”* The aim of securing an in-depth understanding through the joint interpretation of data generated from different sources has largely guided the analysis reported in this paper and for this reason we see the synthesis presented here as a pragmatic multiple methods application rather than an application of fully integrated mixed methods research. In the following section we discuss the research design and rationale for this particular research project.

### **3. Research design**

The research reported in this paper is part of a project funded by the UK Economic and Social Research Council (ESRC)<sup>1</sup>. The project contained a number of linked sub-projects examining aspects of the UK labour market during the Great Recession that followed the global financial crisis of 2008. In 2007, just before the Great Recession, figures from the UK Office for National Statistics show that the UK employment rate was 72.7%, falling to 70.5% in 2011. The fall in men’s employment was initially greater than for women but the job losses represented a major shock to households in the UK (Bryan and Longhi, 2013). One sub-project within this large, primarily quantitative project, concerned couples’ labour market supply decisions when faced with an unemployment shock. For this project we explicitly intended (and were funded) to use both quantitative and qualitative approaches to examine common research questions on understanding couples’ labour market decisions and responses in the context of the household and the labour market during the Great Recession in the UK. Regardless of the methodology used all good research has one thing in common – it is motivated by the research questions posed. For this project the research design and the decision to use both quantitative and qualitative methods was driven by the substantive

research questions. The quantitative analysis would reveal people's behaviour in response to job loss by their partner for a representative population of couples in the UK but it would not be able to provide insights into how and why those decisions were negotiated and reached by couple members. The qualitative data therefore focused on enhancing our understanding of the within couple decision-making process and how this might be interpreted in the context of the quantitative results and vice versa.

### *Key research questions*

The research team consisted of two labour market economists who conducted the quantitative analysis and three sociologists, the latter being familiar with both quantitative and qualitative methods. The project began with establishing the key research questions that would guide the research to be conducted under both approaches. There were four overarching areas of investigation shared by both the quantitative analysis and the qualitative interviews. (i) Was there evidence that the spouse increased their own job search activity in response to their partner's job loss or did they seek to increase their work hours to maintain the income level of the household? (ii) Was there any evidence of anticipation of job loss and had couples taken steps to soften the blow in advance? (iii) Did the spouse respond by withdrawing from the labour market altogether? (iv) How did couples' responses vary by individual characteristics, stage of the life-cycle and couple type in terms of dual-earner and sole earner status?

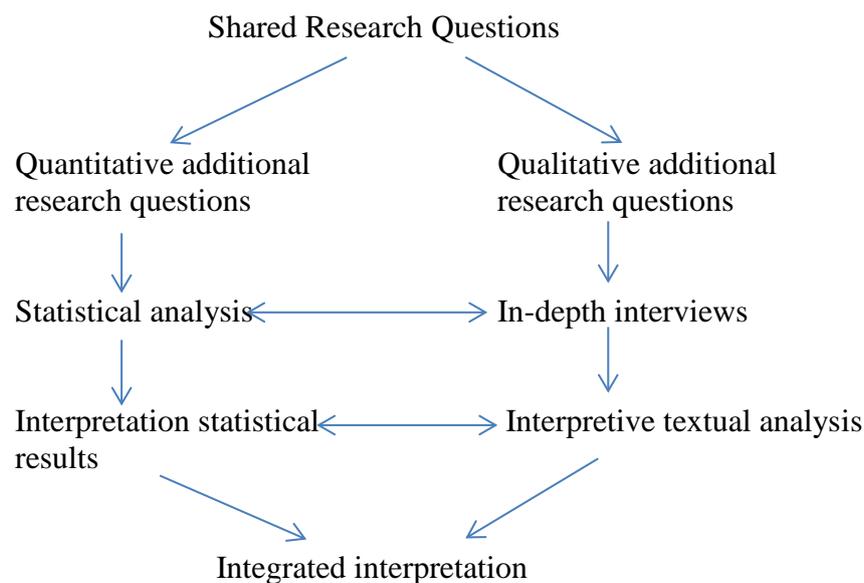
It is also important to recognise two important aspects of the quantitative analysis that were simply not possible with the qualitative data. First, the quantitative analysis compared couples' labour market responses in the boom prior to the UK Great Recession to the post-recession period and tested hypotheses about the likely size of the AWE in both periods. During a recession the expectation was the AWE might be greater as job loss would not be expected, loss of earnings would be greater if the unemployment spell was longer, and the credit crunch might restrict access to credit. In contrast, the qualitative interviews focused on job losses and responses which occurred during the Great Recession only. Secondly, the quantitative analysis used panel data about the same individuals to observe the probability of quarter-on-quarter transitions in labour market behaviour. The models could therefore account for unobserved individual and couple differences which could otherwise bias the findings. The qualitative interviews were conducted at one time point only and controlling for

fixed effects in statistical models is in any case something which is only appropriate within the context of a quantitative panel analysis.

As well as the shared over-arching research questions the qualitative interviews additionally explored (i) whether couples were pro-active or re-active when unemployment or under-employment was a prospect (ii) the extent to which couples adopt short-term measures to deal with the current situation or whether they consider the longer-term implications of adopting particular strategies and (iii) whether, in the short or long-term, couples seek to maintain or regain the established division of unpaid and paid labour and maintain existing gender roles within the household. So while the quantitative and qualitative elements shared a common set of core research questions there were also some extensions appropriate to be explored with each type of data and analytic approach.

Throughout the project there were regular discussions of the findings emerging from the quantitative and qualitative elements, working ‘back and forth’ as Morgan (2007) suggests to identify common connections and differing emerging interpretations. Using the dimensions in the Leech and Onwuegbuzie (2009) typology, our design was partially mixed, concurrent, and equal status (Fig 1).

Fig 1. Research Design: partially mixed, concurrent, equal status design (Leech and Onwuegbuzie, 2009)



First, the design was partially mixed as the analysis was carried out on different samples of individuals and each analysis was carried out independently within its own disciplinary and methodological tradition but talking to the other throughout. Secondly, the collection and analysis of the qualitative interviews took place in parallel and concurrently with the quantitative analysis. Finally, each method had equal status within the research overall. The qualitative research was not inductive to help define a subsequent deductive quantitative analysis but was an integral element of the interpretation of the shared substantive research questions. The findings from each are drawn together in this paper to provide an integrated interpretation that at times confirms the findings from each data source and at others challenges or enhances our understanding of how couples respond to the job loss of their partner.

### *The data*

The quantitative secondary analysis used data from the UK Labour Force Survey to examine how couples' labour supply behaviour in the UK responds to job loss by one partner, comparing the period of growth of 1995-2007 to the Great Recession and its aftermath of 2008-2011. The quarterly LFS survey provides extensive information on individual and household characteristics including a range of labour market variables such as education, employment status, job search activities and job characteristics. Information for the period 1992q2 to 2011q1 was used to allow comparison over the business cycle. The LFS has a rotating panel structure in which individuals are interviewed for five successive quarters and it is this design that the quantitative analysis exploited to examine labour market behaviour and transitions across quarters (Bryan and Longhi, 2013). The analysis included married and cohabiting partners where both were of working age but not in full-time education, producing a sample of couples where men are aged 23-64 and women 23-59.

The qualitative interviews were conducted with members selected from the Innovation Panel of *Understanding Society*, the UK Household Longitudinal Study<sup>ii</sup>. The *Understanding Society* Innovation Panel is a longitudinal panel survey of individuals in 1500 households across the UK who have been interviewed annually since 2008. The sample for the qualitative study was purposively selected based on couples' employment history reported in the survey across the period 2008 to 2011. From the survey data we were able to identify couples who had experienced an employment shock of some kind, including job loss and a reduction or increase in hours worked. The sample members were first contacted by letter

explaining the project and this was followed up with a telephone call to arrange an appointment to visit the household. The couples interviewed all lived in England but were geographically spread across the country. In-depth interviews lasting approximately 45 minutes were carried out with members of 17 married or cohabiting couples, separately if possible to give participants more freedom to express their views (see Gush et al, 2015).

It is worth making a few observations on the similarities and differences between the samples and analysis techniques. First, the two samples were unrelated and represent something of a David and Goliath situation in terms of sample sizes that fall at extreme ends of the qualitative/quantitative research continuum. The qualitative interviews consisted of 30 in-depth interviews with members of 17 married or cohabiting couples while the quantitative secondary analysis contained observations on some 1.5 million couple-quarter observations for married or cohabiting couples between the period 1995 to 2011. The contrast is self-evident but nonetheless provides some interesting supporting conclusions and new insights drawn from both methodological approaches. Both samples covered a similar age range but only a third of the qualitative cases had dependent children compared with roughly half the couples in the quantitative data reflecting a bias to older couples in the qualitative interviews. In both the quantitative and qualitative data dual earner households were the majority even though for most couples the male partner remained the primary earner for the household. In the qualitative sample four couples had a female primary earner and in the quantitative data 8.6% of couples without dependent children and 3.8% of those with dependent children had a female breadwinner (Gush et al, 2015; Bryan and Longhi, 2013). In contrast to the quantitative sample, the qualitative sample was not intended to be generalised to the population in any way and was selected based on the employment events we were interested in exploring.

In relation to analysis techniques used, the quantitative analysis employed a statistical panel analysis guided by a theoretical framework based on a life cycle model of household labour supply where partners are able to optimise their labour supply over the life-cycle to maintain a smooth consumption profile. The impact that a partner's job loss has on the labour market participation of the spouse was analysed by looking at different types of reactions including job search, job finding, job retention, and changes in hours worked. The models were estimated as transitions to remove time invariant couple effects. The models were estimated

using OLS regression and estimated for both men's reactions to women's job loss and vice versa (Bryan and Longhi, 2013).

The process of analysing the qualitative interviews followed an interpretive tradition of analysing textual material from taped and transcribed interviews. The in-depth interviews had used a topic guide to ensure the key areas we wished to explore were covered in each interview and the range of potential reactions to a partner's job loss in terms of job search and changes in hours worked could be explored. Inevitably, interviewees also had specific elements of their own story or circumstances which they wished to convey and many unanticipated and informative elements emerged during the interviews. The transcribed texts were read and re-read to identify emerging themes and segments of text coded according to these themes so that the links between and across cases could be made and patterns identified. As is often the case with qualitative research, the importance of having those who conducted the interviews also carrying out the analysis phase became apparent as the deep understanding gained during the interviews informed the analysis throughout. As with sample size, the qualitative analytic approach was therefore quite distinct even though the underlying research questions and phenomenon of interest were common across the qualitative and quantitative methodologies. The following section provides an integrated interpretation of the results from both methodological perspectives.

#### **4. An integrated interpretation<sup>iii</sup>**

##### *Job search behaviour*

The AWE found in the quantitative data was mixed and was evident primarily in relation to job search behaviour rather than translating into additional employment. The response also varied according to the joint employment status of the couple i.e. whether they were single earner male or female breadwinner couples or dual-earner couples. The quantitative analysis found that in single earner couples during the UK great recession, both men and women substantially increased their job search activity following a partner's job loss even though this did not translate into finding a new job for many. The analysis found that men's probability of starting to search for a job increases only if his partner loses her job during a recession. This was largely due to inactive men whose job search increased by 10 percentage points when a partner lost her job. In these cases it is fair to interpret this response as due to financial need when there was only one earner in the couple. Despite this increase in job search activity the probability of finding a job during the recession was lower as this is

precisely the time when work is most difficult to find. There is also the possibility that a discouraged worker effect due to a weak labour market counter-acted any positive AWE effect. Women in male breadwinner couples whose partner lost their job also increased their job search activity during the recession, again largely due to inactive women. However the AWE for women was lagged and despite a higher probability of searching for a job, the probability of getting a job did not increase with a partner's job loss.

In common with the quantitative data, the qualitative data also found an increase in job search activity for some types of couples but it was described rather differently. Interestingly it was typically not the spouse searching for a job to replace the lost income from the unemployed partner. Rather we found the spouse assisting the partner who had lost their job to help them find a new position. Couple members who had lost a job talked of their spouse being very supportive of the job search process, combing the internet and advertisements for them and generally looking out for possibilities. The job search process was therefore seen as a joint rather than individual endeavour but with a clear focus on getting the recently unemployed partner back into work.

Among dual earner couples, both the quantitative and qualitative data found little evidence that individuals searched for alternative jobs or tried to increase their hours if their partner lost their job. The only exception was quantitative evidence that women working part-time were more likely to start looking for another job, as well as somewhat weaker evidence that they increased their hours. The qualitative data found that for part-time workers increasing work hours was very often not an option as additional hours were simply not available in their current job, something which may explain why searching for a new job also appears to predominate in the quantitative data.

#### *Anticipation effects*

One of the key research questions was whether or not couples anticipated unemployment and therefore took steps such as increasing their job search activity in advance of the job loss occurring. The quantitative analysis shows no evidence of anticipation effects of this type as any increase in job search activity took place in the same quarter of the job loss or the following quarter. The qualitative interviews revealed that couples almost chose not to recognise the risk of unemployment even when it became evident it was a distinct possibility. Some participants described wanting to 'hang on' to what they recognised was a precarious

job as they were worried that as their industry contacts were also losing their jobs, the opportunities to find a new job through contacts would be reduced. Participants spoke at length about how ‘things were quiet’ at work and that others were being laid off. Nonetheless the prevailing attitude was one of optimism that things would improve for the firm and they would not be personally affected. A recurring theme in the qualitative interviews when a job loss occurred was one of shock followed by panic, something which is confirmed in the quantitative analysis where unemployment typically came as a surprise rather than an anticipated event.

#### *Long and short-term perspectives*

The qualitative data also found that work-identity was important for many participants and, combined with the ‘panic’ of losing a job, could lead people to take the first job that came along without thinking through the longer-term consequences for career progression or income. Around a quarter of the participants had adopted this type of short-term response to their own job loss partly due to a recognition that the longer they were unemployed, the harder it would become to find a job. There were also concerns about not being active within their current profession and if they did not take whatever was immediately available in their field, even if not ideal, they may find themselves excluded from job and career opportunities in the future. These decisions were tinged with regret for some who, when looked at in retrospect, wished they had taken longer to search for a better job match. However, in all these cases it is not the AWE we observe but the response of the person who had lost their job. The clear focus most couples had on finding work for the person who had lost their job rather than necessarily substituting the partner’s employment may go some way to explaining why the AWE is somewhat muted in the quantitative data.

#### *Gender roles and the division of labour*

In the qualitative interviews it was striking how couples resisted changing the existing division of labour and established gender roles opting to maintain current arrangements for as long as possible. There was considerable inertia within couples to upset established gender roles within the household and labour market making a labour market response just one of many possible responses. The qualitative interviews found that couples adopted many coping strategies in response to a loss of income to the household including cutting back on expenditure, drawing on savings, and receiving financial support from other family members. Only after all these avenues had been exhausted was there a labour market response with

serious financial constraints being the main trigger, something that was also evident for sole earner couples in the quantitative data where the previously inactive partner was more likely to start looking for work. In general, while the household could maintain a reasonable standard of living, maintaining the current gendered division of labour remained the priority.

### *Social capital and social networks*

The qualitative interviews also revealed the importance of social capital and wider family and friendship networks that couples could draw on in a time of need. As the interviews progressed it became clear that couples use their social connections to cope with job loss, drawing on social capital which is an individual resource arising from the value of being embedded in a social network. The analysis drew on the theoretical perspectives of Bourdieu (1983) and Coleman (1988) to understand the value of interpersonal connections and the personal dimensions of social capital that are complimentary to the development of individual human capital. Social capital is an asset that individuals may invest in (Lin et al, 2001) or which arises from affective relationships where family and friendship bonds draw people together (Crow, 2004, Spencer and Pahl, 2006). In the qualitative data, couples certainly drew on their immediate and extended family for financial and practical support. Sometimes this was motivated through family ties and obligations (Finch and Mason, 1993) but at others was described as a process of give and take where previous help provided by the couple to another family member was 'repaid' when they found themselves in need of help.

While this was not one of our key research questions, the qualitative interviews confirmed the importance of having a wide social network of work colleagues and acquaintances to assist with job search. Participants described great reluctance and lack of confidence in accessing official channels of job search via Job Centres, preferring to draw on their own networks to identify opportunities relevant to their occupation and experience. Weak ties (Granovetter, 1973) certainly provided participants with information about job openings that otherwise would not have been accessible to them but it was also important that the information they received through their networks was both timely and relevant to their experience. As Murray et al (1981) suggest it can be more efficient to rely on a few intimate colleagues in seeking employment. We found that these strong ties could be very effective in helping find a new job as close friends and family were aware of the capabilities of the job seeker and could often point to an opening that was a good match for their interests and experience.

### *Voluntary quits and re-evaluating priorities*

The quantitative data show that both men and women were more likely to quit their job voluntarily if their partner lost their job, but the recession seems to have made people more cautious about voluntarily quitting their job. The qualitative data revealed that for some participants being made redundant offered an opportunity for a desired lifestyle change. It could therefore act as a catalyst for change and was not universally seen as a negative event. For one woman losing her job provided the impetus to start fertility treatment to have a child and she prioritised this life-stage decision over any financial concerns due to her job loss. Others saw the job loss as allowing them to spend more leisure time together with their partner and taking part in activities such as voluntary work for charities. This response is consistent with the two partner's non-market time being complementary and time spent together being of greater value to them. Using job loss as a catalyst to re-evaluate priorities and lifestyle choices is also consistent with the quantitative findings on voluntary quits in response to spousal job loss.

## **5. Conclusion and discussion**

The combined use of quantitative and qualitative data for this project within a pragmatic, multiple methods framework has enriched our understanding of couple's responses to job loss and the decision-making processes underlying their labour supply in the face of an employment shock to the household. The quantitative data provide evidence on the types of labour market responses by couples and how these vary depending on the joint employment status of the couple, whether they are working full or part-time or whether they were inactive in the labour market prior to the job loss of their partner. The quantitative data also provide important evidence on the temporal aspects of the AWE including comparing the pre and post-recession periods and quarter-on-quarter transitions in labour market behaviours including job search, quits, hours adjustments and job transitions. The quantitative analysis finds significant differences in responses pre and post-recession but the AWE is primarily a response of increased job search rather than translating into jobs during the recession.

The qualitative data allow us to understand some of the mechanisms in play within the household that reveal the importance of other factors not measured in the quantitative data. These included a focus on getting the unemployed person back into work rather than their spouse moving into work or changing their hours, adopting a range of financial strategies to reduce expenditure and consumption and maintain an acceptable standard of living, and

drawing on savings and the help of family members to tide them over. The expectation for most was of a temporary set-back that they would recover from and where one partner in a dual-earner couple remained in work this provided a financial cushion as was also seen in the quantitative data. In the qualitative interviews it was only where there were serious financial constraints that an immediate labour market response by the partner occurred, something that was also seen with sole earner couples in the quantitative data where the previously inactive partner was more likely to start looking for work. Family obligations and access to family support emerged as particularly important for temporary financial support while social networks and having both weak and strong ties with colleagues and acquaintances was a critical element of the job search process in the qualitative interviews.

Perhaps the most significant element to emerge from the qualitative interviews that goes some way to explaining a mixed AWE is the continuing strength of gender roles within the household and labour market. Couples expressed a strong commitment to maintaining the established norms and gender roles. The immediate strategies adopted following a job loss were designed to keep life as close to 'normal' as possible and avoid invoking any additional labour market response by the spouse unless this became essential. This appears to be at least a partial explanation of why the AWE is not observed to be as strong as might be expected. As the quantitative data show, combined with a weak labour market during a period of recession where job prospects are reduced, the AWE effect is primarily an increased job search effect.

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<sup>ii</sup> University of Essex. Institute for Social and Economic Research and National Centre for Social Research, Understanding Society: Innovation Panel, Waves 1-4, 2008-2011 [computer file]. Colchester, Essex: UK Data Archive [distributor], September 2011. SN: 6849. See [www.understandingsociety.ac.uk](http://www.understandingsociety.ac.uk) for a description of the design and conduct of the Innovation Panel.

<sup>iii</sup> Throughout this section the interpretation of the quantitative findings is drawn from Bryan, M. and Longhi, S. (2013) 'Couples' labour supply responses to job loss: boom and recession compared', ISER Working Paper 2013-20, University of Essex. The interpretation of the qualitative findings is drawn from Gush, K. Scott, J. and Laurie, H. (2015) 'Households' responses to spousal job loss: 'all change' or 'carry on as usual'?' Forthcoming, *Work, Employment and Society*, DOI: 10.1177/0950017014556411, <http://wes.sagepub.com/content/early/2015/02/23/0950017014556411.full.pdf>

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