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Krueger, Alan B.; Schkade, David A.

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Sorting in the labor market: do gregarious workers flock to interactive jobs?

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Alan B. Krueger David A. Schkade

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Forschungsinstitut zur Zukunft der Arbeit Institute for the Study of Labor

# Sorting in the Labor Market: Do Gregarious Workers Flock to Interactive Jobs?

Alan B. Krueger

Princeton University, NBER and IZA

David A. Schkade

University of California, San Diego

Discussion Paper No. 2730 April 2007

IZA

P.O. Box 7240 53072 Bonn Germany

Phone: +49-228-3894-0 Fax: +49-228-3894-180 E-mail: iza@iza.org

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# **ABSTRACT**

# Sorting in the Labor Market: Do Gregarious Workers Flock to Interactive Jobs?\*

This paper tests a central implication of the theory of equalizing differences, that workers sort into jobs with different attributes based on their preferences for those attributes. We present evidence from four new time-use data sets for the United States and France on whether workers who are more gregarious, as revealed by their behavior when they are not working, tend to be employed in jobs that involve more social interactions. In each data set we find a significant and sizable relationship between the tendency to interact with others off the job and while working. People's descriptions of their jobs and their personalities also accord reasonably well with their time use on and off the job. Furthermore, workers in occupations that require social interactions according to the *O'Net Dictionary of Occupational Titles* tend to spend more of their non-working time with friends. Lastly, we find that workers report substantially higher levels of job satisfaction and net affect while at work if their jobs entail frequent interactions with coworkers and other desirable working conditions.

JEL Classification: J0

Keywords: equalizing differences, sort, attributes, theory, time-use

Corresponding author:

Alan B. Krueger Woodrow Wilson School Princeton University Princeton, NJ 08544 USA

E-mail: akrueger@princeton.edu

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"Musicians cannot be tone-deaf; football players tend to be large; while lawyers, and many economists, have a propensity to talk.

What matters for economic allocations in all of these cases are the direct manifestations of tastes."

-- Sherwin Rosen (2002, p. 9)

#### I. Introduction

A central implication of an equalizing differences equilibrium in the labor market is that workers should sort themselves into jobs with different attributes based on their preferences for those attributes. Workers who enjoy interacting socially, for example, should seek jobs that entail frequent interactions with co-workers or customers, while workers who are introverted by nature should eschew such jobs, all else being equal. At the same time, it is in employers' interests to search for gregarious workers when they seek to fill vacancies for jobs that require social interactions, and to search for more reclusive personalities when they seek to fill jobs that require social isolation. The extent of worker sorting by preferences has implications for many labor market policies and for economic theory. For example, if risk-loving workers are in jobs that have a higher risk of layoff, then the optimal level of unemployment insurance is lower than if workers are randomly sorted across jobs based on their risk aversion. The extent of sorting in the labor market based on tastes -- a simple yet fundamental feature of a competitive labor market -- has not been adequately tested, however, owing primarily to the difficulty of assessing workers' preferences toward work attributes.<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> One paper that studies sorting by tastes is Viscusi and Hersch (2000), who find that smokers are more likely than nonsmokers to be employed in industries with high injury and illness rates. It is unclear, however, whether smokers have a preference for risk generally, or whether they have addictive personalities.

In this paper, we present evidence on whether workers who are more gregarious, as revealed by their behavior when they are not working, tend to be employed in jobs that involve more social interactions. Because psychologists find that the tendency to be introverted or extroverted is a persistent personality trait (see Roberts and DelVecchio, 2000 for a review), and because many employers administer personality tests specifically to identify extroverted job applicants for some positions (Hough and Oswald, 2000), we consider this a worthwhile attribute to study. We conduct our analysis using three new data sets on the time use of working women in the United States and France. We also assess the reliability of our measures using a fourth data set that consists of workers who were interviewed twice, two weeks apart. By examining how individuals spend their time while they are not working, we are able to infer something about their preferences.

In each data set, we find a significant and sizable relationship between the tendency to interact with others off the job and while working. In addition, people's self-descriptions of their jobs and their personalities seem to accord reasonably well with their time use on and off the job. The results suggest that sorting of workers and jobs based on personality types and work attributes does take place, although it is unclear if the extent of sorting reaches the efficient level. Our results complement those in recent work by Borghans, ter Weel and Weinberg (2006a, 2006b), who find that workers who report being more sociable as youths tend to be employed in occupations that involve more people skills as adults. Extensive sorting by tastes could explain why compensating wage differentials for many work attributes are often found to be small or zero (e.g., Brown, 1980), although sorting cannot account for the weak evidence for compensating wage differentials for working conditions that are *universally* disliked or liked.

Lastly, we provide direct evidence of the relationship between job characteristics and two measures of worker job satisfaction: global job satisfaction and mood during work episodes. Our results indicate that workers who are in jobs that entail more frequent interactions with coworkers, low perceived risk of layoff, and higher hourly pay are more satisfied with their jobs and in a better mood during work time than workers in jobs without these characteristics, while workers in jobs with time pressure, constant and close supervision, and little variability from day to day are less satisfied with their jobs and in a worse mood during work. We further find some evidence that in terms of subjective well-being, more extroverted workers, as revealed by how they spend their time while off work, gain more from jobs that involve frequent interactions with coworkers than do workers who are less extroverted. To the extent that our data represent workers' utilities, the estimates imply that workers should be willing to sacrifice large amounts of income for more desirable working conditions, on average.

In the next section, we briefly summarize the main implications of equalizing differences for sorting. In Section III we describe our data. Section IV presents our main findings and considers issues of the reliability of the data. Section V provides an analysis of how the opportunity for social interactions on the job and other working conditions affect workers' reported job satisfaction and their emotional experiences while at work. Section VI offers concluding remarks.

## **II. Sorting and the Labor Market**

We borrow liberally from Rosen's (1986) model of equalizing differences to illustrate the role of sorting of workers over jobs with varying social requirements.<sup>2</sup> Define S as the percentage of the day that a job requires a worker to be engaged in conversations with customers, clients or co-workers. For now, we assume workers are productively homogenous, and ignore all other work attributes.<sup>3</sup> To simplify, suppose S takes on two values, 0 or 1. We will focus on the employee side of the matching market, so we take it for granted that by the nature of technology and costs some employers choose to offer jobs with S=1 and others with S=0.<sup>4</sup> For example, the job of telemarketer naturally involves a great deal of interaction with customers, while the job of night security watchman involves little contact with others.

Write a worker's utility function as U(W,S), where W is the wage rate. There is no saving, so consumption equals the wage. The wage has a positive effect on utility for all workers, while utility rises with S for some workers and falls with S for others. In our data, the average worker appears happier when interacting at work than when not (as long as the interaction is not with their boss), so U(W,1) > U(W,0) for most workers, but

<sup>&</sup>lt;sup>2</sup> A referee has pointed out that the model underlying our analysis is also similar to Tinbergen (1956), who presents a model in which workers are differentiated by the extent to which they possess a certain productive characteristic, such as intelligence. Jobs that utilize this characteristic are in fixed supply in Tinbergen's model. Workers who are on jobs that do not fully utilize their productive characteristic receive a compensating differential for this mismatch. One can think of a tendency toward extroversion as a productive attribute (at least for some jobs), and extroverted workers who do not get to fully use their social skills on the job, or introverted workers who are asked to engage in more social interactions than they are comfortable with, demand a compensating payment as a result.

<sup>&</sup>lt;sup>3</sup> Notice that we are treating a worker's tendency to be extroverted or introverted as a taste. We do so because extroversion is identified in the psychology literature as a personality trait, and because people engage in social interaction to varying degrees while not working. From an employer's perspective, a tendency to extroversion could also be thought of as a productive skill in some jobs.

<sup>&</sup>lt;sup>4</sup> A more complete model would allow for a distribution of employers' costs for providing or eliminating S. This would add very little to our story about sorting of workers as long as enough employers find it unprofitable to switch from S=0 to S=1 jobs given the nature of their technology and business.

clearly some people find interactions more stressful than others, and for some it may be that  $U(W,1) \le U(W,0)$ .

Define z as the compensating variation necessary for a worker to be indifferent between accepting a job with S=0 or S=1. That is, implicitly define z by the equation  $U(W_1+z,0)=u(W_1,1)$ . The z that makes a worker indifferent between the two types of jobs is her reservation compensating wage differential. If the offered wage differential between S=0 and S=1 jobs, denoted  $\Delta W=W_0-W_1$ , is less than z for a particular worker, that worker would prefer to be in a job with S=1. And if  $\Delta W > z$ , that worker would prefer to be in an S=0 job. Notice that z is a personal taste variable that differs over members of the labor force. Extroverted workers have higher values of z than introverted workers. Denote the probability density function of z across members of the labor force as g(z) and the cumulative distribution of z as G(z), and normalize the total labor force to 1. Then the supply of workers to S=0 jobs is  $\int_0^{\Delta W} g(z)dz = G(\Delta W)$  and the supply to S=1 jobs is 1-G( $\Delta W$ ).

In equilibrium, the number of workers in S=1 jobs depends on the distribution of the cost to firms of modifying jobs. But the sorting of workers should be clear: workers who have a taste for social interaction (high z) will seek jobs that entail frequent contact with customers, clients or co-workers and firms that offer jobs with high S will seek such workers, while workers with little taste for social interaction (low z) will seek jobs that entail a more solitary work environment. If  $g(\bullet)$  is normal, then we have the familiar selection bias term as the discrepancy between the conditional and unconditional expectation of z given S:

<sup>&</sup>lt;sup>5</sup> See Saffer (2005) for further evidence that individuals receive consumption value from social interaction.

(1) 
$$E(z \mid S = 0) = \mu_z - \sigma \phi(\frac{\Delta W - \mu_z}{\sigma}) / \Phi(\frac{\Delta W - \mu_z}{\sigma})$$

where  $\mu_z$  and  $\sigma$  are the unconditional mean and standard deviation of z, and  $\phi(\bullet)$  and  $\Phi(\bullet)$  are the normal probability density function and cumulative distribution function.<sup>6</sup>

The extent of social interactions that a worker engages in while not working is a plausible proxy for z. To test for sorting by preferences, we examine whether workers who have frequent contact with others while on the job also tend to interact relatively frequently with others while they are not working. This test implicitly makes the assumption that other worker preferences are unrelated to the tendency to extroversion, or are not related to working conditions. While the latter is not plausible, we can control for some other aspects of workers' preferences (e.g., self-reported joy from reading) in one of our data sets.

#### III. Data

Our analysis makes use of four time-use data sets that we collected as part of a project on subjective well-being. All of the data sets have a similar structure. The data were collected using the *Day Reconstruction Method* (DRM), which asks respondents to segment their preceding day into episodes as if they were going through a movie, and then to briefly summarize each episode in a diary. Next respondents describe each episode by indicating: (1) when the episode began and ended; (2) what they were doing, by checking as many activities that applied from a list of 16 possible activities (plus other) that included working, watching television, socializing, etc.; (3) where they were;

<sup>&</sup>lt;sup>6</sup> A pioneering application of the normal selection-bias model is Gronau (1974).

<sup>&</sup>lt;sup>7</sup> Kahneman, et al. 2004 provide a discussion of the development of the DRM. The questionnaire is available from <a href="http://sitemaker.umich.edu/norbert.schwarz/files/drm\_documentation\_july\_2004.pdf">http://sitemaker.umich.edu/norbert.schwarz/files/drm\_documentation\_july\_2004.pdf</a>.

(4) whether they were interacting with anyone (including on the phone, in teleconference, etc.); and (5) if so, whom they were interacting with (boss, co-workers, clients/customers/students/patients, friends, spouse, children, etc.). Respondents next reported how they felt during each episode on selected affective dimensions (such as happy, frustrated, angry, enjoyment), using a scale from 0 to 6, where 0 signifies that the emotion was not experienced at all and 6 signifies that it was very strong.

Texas DRM. This DRM approach was first applied to a sample of 909 working women in Dallas and Austin, Texas who reported on their experiences during a workday in November 2001. (See Kahneman, et al., 2004 for more details about the sample and method.) The data set, which we henceforth call the "Texas DRM", consists of 535 respondents who were recruited through random selection from the driver's license list plus a screen for employment and age 18-60, and another 374 workers in three occupations: nurses, telemarketers and teachers. A flag identifies the over-sampled occupations. Although the results are similar, we mostly work with the randomly selected subsample. Subjects were paid \$75 for filling out the questionnaire, which usually took 45 minutes to 75 minutes to complete. Table 1 provides some descriptive statistics for the sample.

Re-Interview Sample. A slightly modified version of the original DRM was used for the other two samples. In this version, respondents were asked: (1) when the episode began and ended; (2) where were you? (3) "Were you alone?" (4) "Were you talking with anyone?" (5) With whom were you talking or interacting (list includes customers, co-workers, boss, friends, etc.)? (6) What were you doing (check all that apply)? For the last question, the list of activities available to choose from was expanded and included

"talking, conversation" in addition to "working" and 20 other activities. Again, respondents could check more than one activity.

This modified version of the DRM was administered to a sample of 229 women in Austin, Texas who were interviewed on two Thursdays a fortnight apart in March and April 2005 to examine the reliability of the data. Henceforth, we will call this the "Re-Interview Sample". Respondents were recruited by random selection of women from the driver's license list in Travis County, Texas. The sample was limited to employed individuals between the age of 18 and 60. Respondents were paid \$50 upon completing the first questionnaire and an additional \$100 upon completing the second one for a total of \$150. The interview dates were two Thursdays, March 31, 2005 and April 14, 2005. Following the DRM procedure, participants reported on the previous day, which were Wednesdays in this case. Completion times for the self-administered instrument ranged from 45 to 75 min. Average age was 42.8 years and median household income category was \$40,000-\$50,000.

Columbus and Rennes Samples. In May and June of 2005 we administered the same questionnaire as used in the reliability survey to a sample of 810 working and nonworking women in Columbus, Ohio, who were recruited by random digit dialing, and to another sample of 820 working and nonworking women in Rennes, France, who were also recruited by random digit dialing. (For the latter survey, the questionnaire was translated into French.) The Rennes and Columbus questionnaires also pertained to a

<sup>&</sup>lt;sup>8</sup> The questionnaire is available at

http://homepage.mac.com/WebObjects/FileSharing.woa/30/wo/uWFtDYyXwzkg3RSc.1/0.2.1.2.26.31.97.0 .35.0.1.1.1?user=dschkade&fpath=WB structure supplemental&templatefn=FileSharing1.html.

<sup>&</sup>lt;sup>9</sup> Respondents were paid \$75 for completing the questionnaire in the Columbus survey and 50 Euros (approximately \$60 at the time) in the Rennes survey.

single day, which was a weekend for one third of respondents and a weekday for the remainder. <sup>10</sup> We limit the sample used below to workdays.

In addition to time-use information, respondents provided demographic information and answered personality-type questions, such as whether they enjoy being with other people. The Texas DRM survey also contained additional questions about work, including occupation and subjective information about the nature of the respondents' main job, such as whether "frequent interactions with co-workers is an important part of my job" and whether the respondent "can chat with others while on job."

Using the Texas DRM sample, we computed the proportion of time that each individual was *not interacting* with someone else during non-work episodes. We also computed the proportion of time during non-work episodes that was spent interacting with a friend. To measure the extent of interaction on the job, we computed the proportion of time each respondent spent interacting with co-workers, customers, clients, students, patients or their boss during episodes that involved work.<sup>11</sup>

These variables were computed in a somewhat different fashion in the other data sets, because the activity list enabled respondents to indicate if they were talking or engaged in conversation during each episode, and because of the different phrasing of the interaction question. For the Columbus, Rennes and Re-Interview samples, we computed

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<sup>&</sup>lt;sup>10</sup> The questionnaires are available at

http://homepage.mac.com/WebObjects/FileSharing.woa/30/wo/uWFtDYyXwzkg3RSc.1/0.2.1.2.26.31.97.0.35.0.1.1.1?user=dschkade&fpath=WB structure supplemental&templatefn=FileSharing1.html.

<sup>&</sup>lt;sup>11</sup> Note that an episode that involved worked is potentially different from an episode that took place at work. Some episodes at work (e.g., lunch, coffee break) do not involve work, and are not included in our universe of episodes that involve work. In the Texas DRM data, 10.6 percent of the time spent at work did not involve working; most of this time was spent eating or socializing. Hamermesh (1990) reports that 8 percent of work plus break time consisted of break time in 1975-76.

the proportion of time that each individual was *alone* while not working, and the proportion of time spent talking or engaged in conversation during work episodes.

Table 1 presents summary statistics for the three main analysis samples. The median episode duration was 45 minutes. According to the definition used in the Texas DRM, almost 90 percent of work time is spent *interacting* with others. Because this figure is so high, we have computed this variable differently in the other data sets, e xplicitly requiring that the respondent checked that she was talking or in a conversation during a work episode to classify the episode as involving a social interaction. (If we use a definition that comes as close as possible to that used for the Texas DRM, we find that 72 percent of work time in Columbus and 62 percent of work time in Rennes involved interacting with customers, co-workers or the boss.) Forty-four percent of working time in Columbus and 34 percent of working time in Rennes was spent talking or in conversation.

Interactions are less common off the job than on the job, but still make up a majority of the time. According to the Texas data, for example, 57 percent of the time that people are not working they are interacting with someone. Sixteen percent of nonworking time is spent interacting with friends. A slightly different concept was used in the Columbus and Rennes data. In both cities, we find that workers are alone about a third of the time when they are not working, and are interacting with friends about 11 percent of the time when they are not working.

Based on the Bureau of Labor Statistics' American Time Use Survey (ATUS), 46 percent of women's non-work time (on days in which they worked at least one hour for

pay) is spent alone, and 6 percent of non-work time is spent in the company of friends. <sup>12</sup> These figures are not terribly far out of line from what we find with the DRM data. Unfortunately, the ATUS does not ask whether individuals are alone or with someone while they are at work so the analysis presented below cannot be conducted with the ATUS.

Tables 2a and 2b provide some evidence that individuals' descriptions of themselves and their jobs correspond to their actual time allocation. Specifically, in the Texas DRM we asked respondents whether people who knew them would say the respondent enjoys being in the company of other people less than others, about average, or more than others. Respondents who answered much less or less did indeed spend less time with others when they were not working (See Table 2a). We found a similar pattern in the Columbus and Rennes surveys. In addition, in those surveys we asked, "How much pleasure and joy do you get from each of these domains of life?" Friends was one of the domains inquired about. Those who marked that they received "a lot" of pleasure and joy from friends did spend a higher proportion of non-working time in the company of friends than did those who marked "some" or "little or none".

In the Texas DRM we also asked respondents the extent to which the following statement described their situation at work: "Frequent interactions with co-workers is an important part of my job?" Table 2b reports the average proportion of working time involving no interactions, or interactions with co-workers by responses to this job descriptor. Those who answered "definitely yes" spent 80 percent of their working time on the reference day interacting with co-workers, while those who answered "definitely not" spent 58 percent of their time interacting with co-workers.

<sup>&</sup>lt;sup>12</sup> We are grateful to Marie Connolly for these tabulations from the ATUS.

Together, these results give us some reason to believe that our time-use measures do reflect social engagement during individuals' work and non-work activities.

# IV. Empirical Results on Sorting

#### A. Texas DRM

Table 3 reports estimates of Tobit models where the dependent variable is the proportion of time spent interacting at work using the Texas DRM sample. The statistical model allows for censoring at 0 or 1. The key explanatory variable is the proportion of time that the individual was not interacting with someone else during non-work episodes (columns 1 and 2), or the proportion time the individual was interacting with a friend during non-work episodes (columns 3 and 4). Either measure of a person's "sociability off work" has the expected relationship with the amount of time spent interacting at work. The effects are also sizable: a 10 percentage point increase in the share of time spent interacting while not working is associated with a 5 percentage point increase in the share of time interacting at work in column 1.

Variables such as education, marital status, age and tenure are included as explanatory variables in columns 2 and 4. The rationale for including these variables is that they may be related to worker productivity, and sorting by tastes is predicted to take place among workers who are equally productive. For purposes of estimating the extent of sorting, however, it is unclear whether all of these variables should be held constant. For example, suppose marriage is unrelated to productivity for women, but more gregarious women are more likely to become married (and also more likely to interact

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<sup>&</sup>lt;sup>13</sup> If we restrict the sample to those who said the reference day was a typical day, the coefficient on non-interacting time in columns 1 and 2 tends to rise while the coefficient on interaction time with friends in columns 3 and 4 tends to fall. In neither case is the qualitative conclusion different, however.

with someone off the job) and more likely to work on a job that requires social interaction.<sup>14</sup> In this case, we would be over-controlling for tastes. Nonetheless, we find that our proxies for sociability off work remain significantly related to the extent of social interactions on the job despite controlling for the effects of these other variables.

Age is of particular interest because individuals' may become more or less extroverted over time. Interactions at home and at work both fall with age. One concern is that people may become more extroverted over time if they are employed in a job that requires interactions. If we interact age with proportion of time not interacting or spent with a friend while away from work we get mixed results, however. Both interaction terms are negative, but neither is statistically significant.

Some of the additional variables are of interest for their own sake. Hispanic workers spend about 25 percent less of their working time interacting with others than do non-Hispanic workers. Controlling for 19 occupation dummies has no effect on this differential. This finding may, in part, be a manifestation of language differences that reduce communication opportunities for Hispanics at work. Unfortunately, we did not collect information on facility with English. More than language may be at work, however, because we also find that Hispanics are less likely than non-Hispanics to spend time interacting with friends or others off work, where they presumably could interact with Spanish speakers.

Union members also spend less time interacting with others at work than do nonunion members. Unlike Hispanic workers, however, union members are not less likely to

<sup>&</sup>lt;sup>14</sup> In case you were wondering, married women spend 9 percent (p=.025) more time interacting with someone when they are not at work than do single women. Married women spend considerably less time interacting with friends when not working than do single women, however, which is part of the reason why adding the covariates has a different effect on off-work sociability in column 2 than column 4.

interact with friends or others when they are off work. The lower proportion of work time spent interacting by union members may partially explain why union members typically report lower job satisfaction than nonunion members, a phenomenon first documented by Freeman (1978). Work interactions tend to decline with company tenure, while time interacting with others away from work is unrelated to tenure. Lastly, older workers are less likely to interact with others while working and while not working.

We have also looked at the extent of interaction during work episodes by occupation, assigning 19 two-digit Census occupation codes to the data. An F-test of the null hypothesis that occupation dummies jointly have no predictive power for the proportion of time spent interacting at work has a p-value of .026. Because the sample sizes are small, however, the occupational estimates are very imprecise and the results should be taken with a large grain of salt. With that caveat in mind, we find that the legal profession (which includes legal support jobs) and healthcare practitioners have the highest rates of interaction at work for an occupation with more than 20 observations, which seems plausible.

To provide an independent assessment of the extent to which jobs involve social interactions, we assigned each worker's job a "sociability score" based on the *O'Net Dictionary of Occupational Titles*. The *O'Net* book contains detailed descriptions of the work activities and personality traits required for various occupations. We linked workers to an occupation in the *O'Net* guide based on their description of their job duties and titles, and assigned a score ranging from 1 to 4 indicating the sociability of the job based on the description in *O'Net*. For example, elementary school teachers were assigned a 4 (most social/extroverted job) based on their job description in *O'Net*, which

lists "social" as the first attribute under "Personality Type", and under "General Work Activities" lists "establishing and maintaining relationships" and "communicating with persons outside organization" and lists "speaking" as a required skill. Other descriptions used to gauge the social skills used on the job included "working with others," "communicating with internal groups, " and "oral expression". This process undoubtedly produced some mismatches between workers and occupations and necessarily involved judgments about job sociability based on the descriptions in *O'Net*, but the resulting measure has the virtue of being derived independently of the earlier work-related sociability data and, in principle, pertains to social skills required to do the job well.

Figure 1 presents the average percentage of non-work time spent interacting with friends by the sociability score derived from O'Net. Despite the crudeness of the data, there is a tendency for workers who are in jobs that are ranked higher on the job-related sociability scale to spend more time interacting with friends while they are not at work. The correlation at the individual level is 0.10 (p < 0.05), which is not overwhelming but nonetheless suggests that workers who are on jobs that require more social interactions tend to spend a greater proportion of their non-work time interacting with friends.

#### **B. French-American Data**

Next we consider the data from Columbus, Ohio and Rennes, France. Two-limit Tobit models for the proportion of time spent talking or engaged in conversation during work episodes are presented in Table 4a for Columbus and Table 4b for Rennes. A test of the hypothesis that the two samples can be pooled is rejected for each model at the 0.01 level.

The model in column 1 shows that workers who spend more time alone while not working are less likely to engage in conversations while on the job. The effect is attenuated when demographic variables are included in the model in column 2, especially marital status, but, as mentioned, marital status may be related to workers' gregariousness. The fraction of time spent interacting with friends has a positive effect on interactions at work that is almost statistically significant for the Columbus sample, but it is small and insignificant in the Rennes sample. In Columbus, we find an even larger gap in interactions at work for Hispanic workers<sup>15</sup> than we found for the Texas sample, although this result should be treated extremely cautiously given that there were only 6 Hispanic workers in the Columbus sample. We also find that married workers are more likely to engage in conversations while working. <sup>16</sup>

Unlike in the simple model of sorting that was used to motivate this paper and our estimates so far, workers' tastes are not unidimensional. It is possible that workers who have a preference for social interactions may also have preferences over other working conditions. Depending on the variance of preferences and the correlation among workers' preferences, one does not necessarily have to find hierarchical sorting along tastes for extroversion and the social nature of jobs. The Columbus and Rennes data sets include a large set of other self-reported preference-type variables. As a partial check on the sensitivity of our results to controlling for a wider set of workers' preferences, in results not shown here we included the workers' self-reported pleasure and joy on a three-point scale ("little or none", "some", and "a lot") from reading, spiritual and

<sup>&</sup>lt;sup>15</sup> In France it is illegal to collect ethnicity information and thus we have no comparable results for the Rennes sample.

<sup>&</sup>lt;sup>16</sup> While not working, married women in both Columbus and Rennes spend 17 percent less of their time alone than do single women. At the same time, married women spend 6 percent less of their non-work time with friends than do single women in Columbus, and 7 percent less in Rennes.

religious life, art, food and eating, nature, television and taking walks. These variables were jointly statistically insignificant when they were included in each of the models in Tables 4a and 4b, and their inclusion hardly changed the magnitude of the off-work extroversion measures. Thus, controlling for these limited measures of preferences over other attributes that might be related to some jobs do not appear to alter the pattern of sorting by tendency toward extroversion.

A final point worth nothing is that despite the greater extent of government intervention in the French than in the American labor market, and the higher rate of unionization in France, there is no sign in these results that sorting in the labor market along lines of the propensity for social interactions is less efficient in Rennes than in Columbus. If this finding can be replicated in other data sets, it could provide insights into the workings of labor market rigidities and comparative labor market institutions.

#### C. Limits of One Working Day

A potential concern is that the data we use to estimate the extent of social interactions by workers while they are working and not working are noisy because the data pertain to just one day in the life of the individuals in the sample. How representative is one working day? To assess this question, we analyzed a sample of 207 women who worked on both reference days in the reliability sample. The version of the DRM used in these surveys is virtually identical to that used in the Columbus and Rennes surveys.

Table 5 reports the correlations and means of key variables used in the study: the proportion of the day alone, the proportion of the day talking, and the proportion of the day spent in the company of friends. The variables are computed over working episodes

and over non-working episodes, and the first two variables are also computed over the entire day. The good news is that the key explanatory variable in Tables 4a and 4b, the proportion of time spent alone while not working, has the highest autocorrelation: 0.64. This suggests there is a reasonable amount of signal in one day's measure of reclusiveness, but the coefficients are nonetheless attenuated because of noise inherent in using one day's experience to infer a person's personality. The correlation between the proportion of non-work time spent with a friend is just 0.32. This figure would no doubt be higher if we aggregated over a week, for instance. For most people there is much day-to-day variability in getting together with friends after work. The effect of this variable is probably severely attenuated in the regressions.

The dependent variable, the proportion of working time spent talking has a 0.44 autocorrelation two weeks apart. If one day's fluctuations in interactions at work is just white noise, then the precision of the estimates will be reduced but they should still be unbiased. To reduce the noise, we averaged over each day in the Reliability Data Set and regressed the average proportion of time talking during work episodes on the average proportion of time spent with friends during non-work episodes. The slope coefficient from this bivariate regression is 0.342 with a standard error of 0.156.<sup>17</sup> If the same regression is estimated just using Session 1 data, the coefficient (standard error) is 0.273 (0.149) and if it is estimated for Session 2 the coefficient (standard error) is 0.224 (0.149). If the first period proportion of time spent with friends is used as an instrument for the second period proportion of time with friends in an Instrumental Variables regression that uses the second period proportion of time talking at work as the dependent

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<sup>&</sup>lt;sup>17</sup> If we use the average amount of time spent alone while not working as the explanatory variable, the coefficient (standard error) is -.115 (0.101).

variable, the coefficient is considerably larger: 1.003 (0.493). All of these results suggest that noise has attenuated our earlier estimates.

An alternative way to avoid relying on one day's measures is to use individual's own descriptions of their jobs and personalities. As was shown in Tables 2a and 2b, these measures are correlated with objective circumstances on and off the job. If we use the Texas DRM data to regress individuals' assessments of whether "Frequent interactions with co-workers is an important part of my job?" on their assessments of whether people they know would say that they enjoy being in the company of others, we find a significant and positive relationship (r=.11; p=.01). Reliance on self-reported personality and job traits is common in the personnel selection literature. We consider a focus on actual time allocation to be a contribution of our study, but it is nonetheless reassuring that we find sorting based on a tendency for extroversion when we use self-reported data as well.

#### V. Work Satisfaction and Affect at Work

We measure individuals' *net affect* or mood as the average of the positive emotions less the average of the negative emotions recorded for each episode in the DRM. Emotions are reported on a scale of 0 (not at all) to 6 (very much part of the experience). Positive emotions are "happy" and "enjoying myself" and negative emotions are "impatient for it to end", "frustrated/ annoyed", "depressed/blue", "worried/anxious" and "angry/hostile". These emotions were selected because they do not necessarily require social interaction to be present.

Table 6 reports average net affect during episodes that involved selected work and non-work activities for the full sample and random subsample of the Texas DRM survey. Notice that, on average, work is ranked as a relatively unpleasant activity and leisure activities such as socializing and exercising have relatively high net affect ratings. This pattern is not surprising – and, indeed, presumably it is the reason why wages are positive – but it contrasts with earlier research based on more general questions about enjoyment with various activities (Juster, 1985 and Robinson and Godbey, 1997). Juster (1985), for example, finds that work ranks near the middle of activities in terms of enjoyment. The difference appears to stem from our using a recall diary method as opposed to Juster's use of an overall domain satisfaction approach, in which people's subjective theories about their lives probably play a larger role.

Average net affect during work episodes that involve interactions with the boss is particularly low, while net affect is higher during interactions with customers, clients, students or patients. Workers in the full sample report especially low affect when they are working alone. All of the averages in Table 6 are potentially affected by sorting, as not every worker engaged in each activity.

Another limitation of self-reported feelings like those in Table 6 is that respondents may utilize the scales in idiosyncratic ways. We therefore examined the pattern of net affect during various types of work interactions after removing individual fixed effects. Specifically, we regressed net affect during each episode on three dummy variables indicating whether that episode involved an interaction with the boss, coworkers, or clients, customers, students and patients, and a set of unrestricted individual fixed effects. This fixed effects model is identified by workers who had at least one work

episode involving social interactions and at least one work episode without interactions on the survey reference day. Within a person's work day, we find that interactions have a large effect on net affect. For the random sample, compared with not interacting with anyone, net affect was 0.53 (0.14) points lower when an episode involved interacting with the boss, 0.24 (0.12) points higher when co-workers were interaction partners and 0.40 (0.18) points higher when customers, clients, students, or patients were involved.

Table 7 presents estimates of regression models at the *individual* level using the Texas DRM sample. The dependent variable in column (1) is responses to a conventional work satisfaction question: "Overall, how satisfied are you with your present job?" Response categories were not at all satisfied, not very satisfied, satisfied, and very satisfied. A score from 1 to 4 was assigned to these answers, and then the responses were rescaled to have a unit standard deviation. Many previous studies (e.g., Freeman, 1978, Helliwell and Huan, 2005) have examined the determinants of global work satisfaction. The dependent variable in column (2) is duration-weighted net affect while at work. This measure should provide a closer approximation of workers' actual emotional experiences on the job than reported work satisfaction. Net affect is composed of the same emotions as in Table 6. For comparability to work satisfaction, net affect was rescaled to have a unit standard deviation in the regressions.

A rich set of working condition variables is available to model subjective well-being at work. Table 7 reports results using a dozen working conditions as explanatory variables, including the extent to which the respondent stated that her situation at work was described by "frequent interactions with co-workers," "constant and close

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<sup>&</sup>lt;sup>18</sup> To increase the sample size, results are reported for the full sample. If we restrict the data to the random subset, however, the main results are qualitatively similar.

supervision" and "flexible work hours". Four responses categories ranging from "definitely not" to "definitely yes" were provided, and answers were scaled from 0 to 1, with 0 indicating definitely not and 1 indicating definitely yes. Thus, the coefficients indicate the change in work satisfaction or net affect in standard deviation units associated with a change from the working condition being definitely absent to definitely present. The regression models also control for the log hourly wage, education and demographic characteristics.

The working condition variables generally have their expected signs, although there are a few notable exceptions. Most importantly for our purposes, having a job that allows frequent interactions with co-workers is positively associated with work satisfaction and with net affect while at work, conditional on the sorting that takes place in the job market. Workers who believe their job entails frequent interactions with coworkers report about half a standard deviation higher work satisfaction and net affect than do those who say their job does not entail frequent interactions. From our earlier results and equation 1, we would expect that workers who receive greater enjoyment from social interactions would be more likely to be employed in jobs that require frequent interactions with others. To test directly for this result, in results not shown here we added a variable that is the product of the frequent-job-interaction variable and the proportion of non-work time each respondent spent alone (based on their time diary) to the regression models. The coefficient on this interaction variable was -0.34 and statistically significant (t=2.29) in the net affect regression, consistent with the view that more social workers derive more enjoyment from jobs that entail frequent interactions

with co-workers. <sup>19</sup> The interaction effect was negative but small and statistically insignificant in the work satisfaction model, however.

Turning to the other variables in Table 7, the log wage has a positive effect on both work satisfaction and net affect at work. A 10 percent increase in pay is associated with just over a .015 standard deviation gain in work satisfaction, which is fairly modest compared with the effects of several of the working condition variables, including interactions with co-workers. Time pressure, close supervision, risk of job loss, and monotony all have sizable adverse effects on work satisfaction and on net affect during work. Reporting that one's employer provides all the resources needed to do the job well has a strong positive effect on satisfaction and net affect. Although there is some tendency for working conditions that have an immediate and salient effect on the work setting, like time pressure, to have a larger effect on net affect than on work satisfaction, this is not always the case. For example, constant and close supervision has a larger effect on work satisfaction than on net affect, as does belief that sufficient resources are provided to do the job well.

Some of the working condition variables in Talbe 7 have statistically insignificant effects, such as flexible hours and the presence of offensive noise. Two notable variables have perverse effects: The presence of dust, dirt and bad smells has an unexpected positive effect in the net affect regression and the presence of a risk of injury has a positive effect in the work satisfaction regression. As a whole, however, the models yield reasonably strong support that pleasant working conditions are associated with greater

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<sup>&</sup>lt;sup>19</sup> It is worth noting that in this regression workers who spent all of their non-work time alone were predicted to have higher net affect if their jobs entailed frequent interactions with co-workers than if they did not entail frequent interactions with co-workers.

job satisfaction and net affect at work, and unpleasant working conditions are associated with lower job satisfaction and net affect at work.

Lastly, it is worth discussing the magnitude and interpretation of the working condition effects in relation to an equalizing differences equilibrium in the labor market. Helliwell and Huang (2005) argue that dividing the coefficient on a working condition variable by the coefficient on the wage rate in a job satisfaction regression provides an estimate of the marginal rate of substitution between log pay and working conditions. If workers have homogeneous preferences, in a competitive equilibrium this ratio would equal the observed compensating wage differentials associated with working conditions. Using this approach, Helliwell and Huang find that enormous compensating wage differentials are required for working conditions such as low workplace trust, low task variety and time pressure. Because direct evidence of compensating wage differentials often yields mixed or weak evidence of tradeoffs between pay and working conditions (e.g., Brown, 1980), <sup>20</sup> Helliwell and Huang conclude that the labor market is in disequilibrium, with "unrecognized opportunities for managers and employees to alter workplace environments, or for workers to change jobs, so as to increase both life satisfaction and workplace efficiency."

Our results also imply an enormous tradeoff between wages and undesirable working conditions. For example, the results in column (1) of Table 7 imply that workers would require a log wage increase of around 2 (-.29/.15) to be equally satisfied with a job that entails constant time pressure as opposed to one that does not. The net affect regression in column (2) implies a log wage change of more than 5 for workers to be

<sup>&</sup>lt;sup>20</sup> One recent exception is Stern (2004), who finds a sizable tradeoff between the opportunity to conduct and publish scientific research and starting pay among Ph.D. biologists at the start of their career.

equally well-off with constant time pressure. Moving from a job with frequent interactions with co-workers to one without them likewise would necessitate large compensating payments, as would many of the other working conditions.

What is one to make of Helliwell and Huang's and our large implied marginal rates of substitution? One possibility is that job satisfaction is not an adequate measure of utility because it misrepresents what happens on the ground at work. The fact that net affect generally yields similar results, however, suggests that the explanation is more complicated.

Another possibility is that the coefficients in the work satisfaction and net affect regressions reflect the preferences of inframarginal workers while the compensating differentials that are ground out in practice pertain to the preferences of the marginal worker. This distinction matters if tastes vary across workers and workers sort into jobs based on their tastes, as we have emphasized. Regression estimates like those in Table 7 only identify conditional averages, and the averages are conditional on the workers sorting. The marginal worker probably has a more benign view of social isolation than the average worker in a job that does not involve interactions with co-workers, for example. While we believe there is some support for this interpretation, the results imply that such extreme compensating differentials are required for undesirable working conditions that we would question how far sorting by preferences can go toward explaining the full set of results.

Still another possibility is that direct estimates of compensating wage differentials suffer from severe biases. For example, high-ability workers receive higher pay and better working conditions than low-ability workers, but the estimates in the literature may

not adequately control for ability. While this bias is likely present in cross-sectional estimates, it is unlikely to account for the weak evidence of compensating wage differentials in longitudinal estimates. Moreover, if the required compensating wage differentials are as large as those implied in Helliwell and Huang and in Table 7, we would expect that they would be detectable in conventional wage equation estimates.

A final interpretation is that the marginal worker is unaware of the relevant working conditions when a decision is made to accept a job, or underestimates the impact of social relations and other working conditions on her well-being and overestimates the impact of pay on her well-being, perhaps because of a focusing illusion (see Kahneman, et al. 2006). In either case, this failure of decision making would cause the market to generate insufficient compensating differentials for working conditions. Although we are reluctant to push this conclusion too far, given the similarity of the results using job satisfaction and net affect, we believe it deserves serious consideration.

#### VI. Conclusion

We have documented a positive and statistically significant relationship between a worker's tendency to interact with others (particularly with friends) while not working and the relative frequency of work-related interactions on the worker's job. We interpret this pattern as evidence of sorting: more extroverted workers tend to work in jobs that require greater social interaction.

Other interpretations are possible, however. For example, it is possible that jobs that require more social interactions cause workers to become more extroverted in their non-working time. Although extroversion is apparently among the more stable

personality traits (Roberts and DelVecchio, 2000) and Borghans, ter Weel and Weinberg (2006a, 2006b) find that sociability at an early age is related to later employment in occupations that involve more people skills, we acknowledge that work experiences could affect an individual's tendency to extroversion. It is also possible that a tendency towards extroversion causes some workers to spend a lot of time interacting with others while away from work and while at work, but that the social interactions during work time are not work related. While we acknowledge this possibility, our finding of a positive correlation between non-work time spent interacting with friends and the sociability score assigned to the job based on the *O'Net Dictionary of Occupational Titles* suggests that extroverted workers are more likely than introverted workers to be employed in positions that require social skills.

Biasing our results in the opposite direction, one should also recognize that many workers who spend their entire work day talking might seek some solitude when they are off work. This effect, if it exists, is not strong enough to overturn the positive relationship between the prevalence of work-related and non-work-related interactions.

Another concern is that workers' tastes are not unidimensional. It is possible that workers' who have a preference for social interactions may also have preferences over other working conditions. A worthwhile direction for future work would be to develop measures of tastes toward other work-related conditions, such as risk, offensive noise and stress, and then to jointly test whether sorting occurs on jobs along those lines as well extroversion. For example, the seemingly anomalous results we found for risk and offensive noise may be due to occupations such as hospital nurses or construction workers, whose jobs involve these negative characteristics but which are outweighed by

other positive features. Multidimensional sorting could well resolve these puzzling results.

Competitive markets are presumed to raise welfare by enabling buyers and sellers, workers and employers, to make efficient matches according to their tastes, talents and technology. The extent to which workers are actually sorted across jobs according to their tastes has not previously been examined. An important feature of our work is that we identify workers' tastes toward social interactions by their revealed behavior while not working. Similar results are found, however, if we use self-reported indicators of individuals' personality traits.

The approach we have taken can be used to compare the efficiency of different labor markets. Although our evidence is admittedly sketchy and preliminary -- and dependent on the assumption that opportunities for socializing while not working are similar in the two countries -- we do not find much evidence of differential sorting by workers' preferences for social interactions in France and the United States. If correct, this finding suggests that the rigidities in the French labor market do not obstruct the efficient sorting of workers across jobs in a noticeable way. A useful direction for future work would be to examine the extent to which the matching of workers and jobs according to workers' tastes are affected by labor market institutions.

Lastly, we find that workers express higher levels of satisfaction and higher net affect during work if they are employed in jobs that involve frequent interactions with coworkers. This effect tends to diminish for workers who spend a smaller share of their non-work day in the company of others. We also find that other workplace characteristics, such as time pressure, close supervision, and perceived risk of job loss,

have a sizable effect on work satisfaction and net affect on the job. The estimated effect of desirable working conditions on work satisfaction and net affect is especially large in comparison with the modest estimated effect of pay on work satisfaction and net affect, and the typically modest compensating wage differentials associated with various working conditions observed in the labor market. The reasons for this divergence deserve further consideration.

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**Table 1: Descriptive Statistics for the Three Analysis Samples** 

|  | <u>Texa</u><br>All | <u>s</u><br>Random Sm <sub>l</sub> | <u>Columbus</u><br>pl | Rennes  |
|--|--------------------|------------------------------------|-----------------------|---------|
| Age  | 38.0               | 38.0                               | 43.0                  | 37.9    |
| Annual Household Income                          | \$53,659           | \$47,915                           | \$69,510              | €30,826 |
| Married  | 0.44               | 0.42                               | 0.61                  | 0.40    |
| College + (a)                                    | 0.54               | 0.38                               | 0.55                  | 0.43    |
| Union  | 0.20               | 0.12                               | NA                    | NA      |
| Tenure   | 6.30               | 5.59                               | NA                    | NA      |
| Black  | 0.24               | 0.27                               | 0.17                  | NA      |
| Hispanic   | 0.22               | 0.24                               | 0.01                  | NA      |
| Number of Work<br>Episodes                       | 4.48               | 3.70                               | 3.86                  | 3.90    |
| Number of NonWork<br>Episodes                    | 9.63               | 9.88                               | 9.78                  | 11.04   |
| Proportion of Time Alone while Working (b)       | 0.08               | 0.08                               | 0.14                  | 0.23    |
| Proportion of Time Alone while Not Working (b)   | 0.44               | 0.43                               | 0.32                  | 0.33    |
| Proportion of Time w/Friends while Not Working   | 0.15               | 0.16                               | 0.11                  | 0.11    |
| Proportion of Time Interacting while Working (c) | 0.89               | 0.89                               | NA                    | NA      |
| Proportion of Time<br>Conversing while Working   | NA                 |                                    | NA 0.44               | 0.34    |
| Maximum Sample Size                              | 908                | 535                                | 409                   | 372     |

Notes:

<sup>(</sup>a) In France, college + is baccalauréat plus 3 or more years.

<sup>(</sup>b) In Texas, time alone is time spent not interacting with anyone; in Columbus and Rennes, it is time spent alone.

<sup>(</sup>c) Proportion of time interacting with customers, clients, co-workers, patients, students or boss.

Table 2a: Non-Work Time Allocation by Self-Described Gregariousness

| What would the people who know you say about you? Enjoys being in company: | Proportion of non-work time spent noninteracting | Proportion of non-work time spent with friends |
|--|--|--|
| Much less than others (n=50)   | 0.51   | 0.09   |
| About average (n=75)   | 0.42   | 0.14   |
| Much more than others (n=390)  | 0.43   | 0.17   |
| p-value  | 0.106  | 0.017  |

Note: p-value is from a regression of percent of time on reported in each category on self-reported enjoyment from being in company, which runs from -3 to +3. Sample is TX DRM, random sample.

Table 2b: Work Time Allocation by Self-Reported Job Description

| Does this statement describe             |                           |                             |
|--|---------------------------|-----------------------------|
| your situation at work?                  | Proportion of work        | Proportion of work time     |
| Frequent interactions with               | time spent noninteracting | interacting with co-workers |
| co-workers is an important               |                           |                             |
| part of my job:                          |                           |                             |
| Definitely Not (n=18)                    | 0.16                      | 0.58                        |
|  |                           |                             |
| Mostly Not (n=49)                        | 0.10                      | 0.71                        |
| M (I ) ( ( ( ( ( ( ( ( ( ( ( ( ( ( ( ( ( | 0.40                      | 0.70                        |
| Mostly Yes (n=129)                       | 0.13                      | 0.73                        |
| Definitely Vee (n. 227)                  | 0.06                      | 0.80                        |
| Definitely Yes (n=337)                   | 0.06                      | 0.80                        |
| p-value                                  | 0.001                     | 0.000                       |
| p-value                                  | 0.001                     | 0.000                       |

Note: p-value is from a regression of percent of time reported in each category on self-reported job description, which runs from 1 to 4. Sample is TX DRM, random sample.

Table 3: Tobit Models for Proportion of Time Spent Interacting at Work Texas DRM Sample, Random Component

| Explanatory Variable                                    | (1)               | (2)                          | (3)              | (4)                          |
|---|-------------------|------------------------------|------------------|------------------------------|
| Prop. of time not interacting while not working         | -0.472<br>(0.146) | -0.395<br>(0.154)            |                  |                              |
| Prop. of time interacting w/friend(s) while not working |                   |                              | 0.533<br>(0.214) | 0.522<br>(0.225)             |
| Age   |                   | -0.007                       | (0.214)          | -0.008                       |
| College +   |                   | (0.004)<br>-0.047            |                  | (0.004)<br>-0.102            |
| -   |                   | (0.084)                      |                  | (0.086)                      |
| Married   |                   | 0.084<br>(0.082)             |                  | 0.140 (0.083)                |
| Black   |                   | -0.113                       |                  | -0.104                       |
| Hispanic  |                   | (0.098)<br>-0.281            |                  | (0.099)<br>-0.257            |
| Union   |                   | (0.099)<br>-0.151            |                  | (0.100)<br>-0.167            |
| Tenure  |                   | (0.114)<br>-0.011<br>(0.006) |                  | (0.116)<br>-0.011<br>(0.006) |
| Log Likelihood<br>Sample Size                           | -337.229<br>534   | -303.426<br>502              | -339.234<br>534  | -304.024<br>502              |
|   |                   |                              |                  |                              |

Note: Dependent variable is proportion of time interacting with co-workers, clients, students, patients, or boss while working. Tobit allows for censoring at 0 and at 1. Mean (SD) of dependent variable is 0.89 (.24) in columns 1 and 3, and .90 (.24) in columns 2 and 4. In column 1 and 3, 19 observations are censored at 0, 129 are uncensored, and 386 are censored at 1. In columns 2 and 4, 17 observations are censored at 0, 120 are uncensored and 365 are censored at 1.

Table 4a: Tobit Models for Proportion of Time Spent Interacting at Work Columbus DRM Sample

| Explanatory Variable                  | (1)               | (2)               | (3)      | (4)      |
|---------------------------------------|-------------------|-------------------|----------|----------|
| Prop. of time alone while not working | -0.286<br>(0.175) | -0.136<br>(0.188) |          |          |
| Prop. of time interacting w/friend(s) |                   |                   | 0.447    | 0.449    |
| while not working                     |                   |                   | (0.294)  | (0.300)  |
| Age                                   |                   | -0.003            |          | -0.003   |
|                                       |                   | (0.005)           |          | (0.005)  |
| College +                             |                   | 0.072             |          | 0.078    |
|                                       |                   | (0.099)           |          | (0.098)  |
| Married                               |                   | 0.204             |          | 0.247    |
|                                       |                   | (0.115)           |          | (0.108)  |
| Black                                 |                   | 0.256             |          | 0.250    |
|                                       |                   | (0.141)           |          | (0.140)  |
| Hispanic                              |                   | -0.796            |          | -0.807   |
|                                       |                   | (0.453)           |          | (0.453)  |
| Log Likelihood                        | -435.005          | -425.489          | -435.187 | -424.625 |
| Sample Size                           | 408               | 403               | 408      | 403      |

Table 4b: Tobit Models for Proportion of Time Spent Interacting at Work Rennes DRM Sample

| (1)      | (2)   | (3)  | (4)  |
|----------|---|--|--|
| -0.467   | -0.311  |  |  |
| (0.202)  | (0.216)                                       |  |  |
|          |   | 0.054  | 0.166  |
|          |   | (0.272)  | (0.288)  |
|          | -0.003  |  | -0.003   |
|          | (0.005)                                       |  | (0.005)  |
|          | -0.065  |  | -0.075   |
|          | (0.100)                                       |  | (0.100)  |
|          | 0.204   |  | 0.266  |
|          | (0.112)                                       |  | (0.106)  |
| -367.066 | -363.868                                      | -369.752   | -364.743   |
| 371      | 369   | 371  | 369  |
|          | -0.467<br>(0.202)<br><br><br><br><br>-367.066 | -0.467 -0.311<br>(0.202) (0.216)<br><br><br>(0.005)<br>0.065<br>(0.100)<br>0.204<br>(0.112)<br>-367.066 -363.868 | -0.467 -0.311 (0.202) (0.216) 0.054 (0.272) 0.003 (0.005) 0.065 (0.100) 0.204 (0.112) -367.066 -363.868 -369.752 |

Note: Dependent variable is proportion of time talking or engaged in conversation while working. Tobit allows for censoring at 0 and at 1. For Panel A, mean (SD) of dependent variable is 0.44 (0.42) in columns 1-4; in column 1 & 3, 147 observations are are censored at 0, 168 are uncensored and 93 are censored at 1; in column 2 & 4 145 observations are censored at 0, 166 are uncensored and 92 are censored at 1. For Panel B, mean (SD) of dependent variable is 0.34 (0.39) in column 1-4; in column 1 & 3, 172 observations are censored at 0, 148 are uncensored and 51 are censored at 1; in column 2 & 4 171 are censored at 0, 147 are uncensored and

51 are censored at 1.

**Table 5: Reliability of Data** 

# Two-Week-Apart Correlations of:

|   |      | Average   |           |
|---|------|-----------|-----------|
|   | r    | Session 1 | Session 2 |
| 1. Proportion of Day Alone                          | 0.56 | 0.26      | 0.27      |
| 2. Proportion of Day Alone While Not Working        | 0.64 | 0.35      | 0.35      |
| 3. Proportion of Day Alone While Working            | 0.30 | 0.15      | 0.16      |
| 4. Proportion of Day Talking                        | 0.46 | 0.44      | 0.44      |
| 5. Proportion of Day Talking While Working          | 0.44 | 0.47      | 0.48      |
| 6. Proportion of Day Talking While Not Working      | 0.43 | 0.42      | 0.42      |
| 7. Proportion of Day with Friends While Not Working | 0.32 | 0.13      | 0.15      |
|   |      |           |           |

Notes: Sample consists of 207 women in Texas who were sampled on March 30 and April 13, 2005 and worked on the preceding day. Both surveys were conducted on a Wednesday, and the responses refer to the preceding day. The average respondent reported 9.7 nonworking episodes and 4.6 working episodes per day. The definition of the variables conforms to those used in the Columbus and Rennes DRM samples.

Table 6: Net Affect During Various Activities; Texas DRM Sample

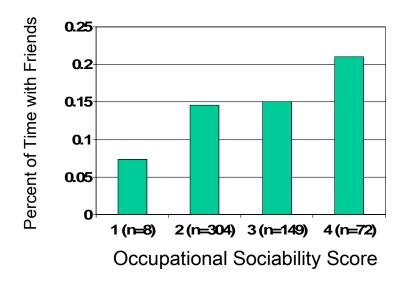
|   | Random | Full Smpl. |
|---|--------|------------|
| Exercising                              | 4.00   | 3.97       |
| Socializing                             | 3.86   | 3.99       |
| Watching TV                             | 3.45   | 3.59       |
| Doing Housework                         | 2.63   | 2.79       |
| Commuting                               | 2.15   | 2.22       |
| Working                                 | 2.06   | 2.13       |
| While Working:<br>Not Interacting       | 2.05   | 1.65       |
| Boss                                    | 1.96   | 1.89       |
| Co-worker                               | 2.05   | 2.11       |
| Clients/customers/<br>students/patients | 2.15   | 2.28       |

Table 7. Work Satisfaction and Net Affect Regressions

|   |             | Work                | Net affect      |
|---|-------------|---------------------|-----------------|
| Explanatory Variable  | <u>Mean</u> | <u>Satisfaction</u> | during work     |
| Log hourly wage   | 2.78        | 0.15<br>(0.07)      | 0.12<br>(0.07)  |
| Frequent Interactions with coworkers is an important part of my job | 0.85        | 0.44<br>(0.14)      | 0.51<br>(0.14)  |
| My employer provides all of the resources needed to do my job well  | 0.69        | 0.98<br>(0.13)      | 0.48<br>(0.13)  |
| People in my position are at risk of being fired or laid off        | 0.24        | -0.27<br>(0.13)     | -0.28<br>(0.13) |
| Under constant and close supervision                                | 0.36        | -0.4<br>(0.12)      | -0.19<br>(0.13) |
| Have flexible hours   | 0.37        | -0.09<br>(0.09)     | 0.02<br>(0.10)  |
| Works nights shifts   | 0.13        | 0.14<br>(0.12)      | 0.19<br>(0.13)  |
| Breaks are infrequent and short                                     | 0.48        | -0.32<br>(0.10)     | -0.07<br>(0.11) |
| There is time pressure; constant pressure to work fast              | 0.52        | -0.29<br>(0.11)     | -0.64<br>(0.12) |
| Does pretty much the same thing all day                             | 0.55        | -0.28<br>(0.10)     | -0.22<br>(0.11) |
| Involves significant risk of injury                                 | 0.16        | 0.35<br>(0.15)      | -0.09<br>(0.16) |
| Exposed to offensive noise  | 0.28        | 0.12<br>(0.12)      | -0.1<br>(0.13)  |
| Exposed to dust, dirt and bad smells                                | 0.27        | -0.05<br>(0.12)     | 0.28<br>(0.13)  |
| R-squared   |             | 0.22                | 0.15            |
| <u>n</u>  |             | 809                 | 776             |

Notes: Regressions also include a constant, education, age, age-squared, and hispanic ethnicity, black, and white indicator variables. Standard errors shown in parentheses. Work satisfaction and net affect have been scaled to have a standard deviation of 1.

Figure 1. Average Percent of Non-work time spent with Friend by Social Requirements of Job



Note: Occupational sociability score was assigned based on job descriptions from *O\*Net Dictionary of Occupational Titles, Third Edition*. Average percent of non-work time with friends is based on Texas DRM.