

Frequencies and Financial Returns of Employer Changes: Gender Differences among German University Graduates

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This study uses a sample of Bavarian university graduates to examine gender differences in the frequency and in the financial returns of employer changes. The sample consists of 2,258 persons who graduated in 2005/06 at one of 27 Bavarian universities or universities of applied sciences. They were questioned about one and five years after graduation and among others retrospectively gave information about all their employments since that date. It was thus possible to obtain information about employer changes and their financial consequences. The results show that in the first years after graduation women change their employer more often than men. This can be explained to a large part by different labor market structures, especially by the fact that women in their first employment less often work in large companies, in executive positions and with unlimited contracts and are less satisfied with their work. After controlling for these factors, the gender coefficient changes its sign, indicating that under equal circumstances men are occupationally more mobile. Furthermore, both men and women profit financially from employer changes, at least up to the third one, while even more changes do not seem to have a positive effect. Men, who earn more already at the beginning of the working career, gain higher absolute returns, but no differences in the relative returns between men and women can be observed. The gender wage gap, which is measured in relative terms, is thus not affected by employer changes, only by their differing frequencies. Further research could use different data to verify these results and to assess the effects in the population as a whole. Additionally, different types of employer changes and of occupational mobility should be analyzed. Effects could differ depending on whether a change occurred voluntarily or involuntarily and on whether the reason for a voluntary change is a familial or occupational one.