



Height premium for job performance

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ABSTRACT

This study assessed the relationship of height with wages, using the 1998 and 2012 Korean Labor and Income Panel Study data. The key independent variable was height measured in centimeters, which was included as a series of dummy indicators of height per 5 cm span (<155 cm, 155–160 cm, 160–165 cm, and ≥165 cm for women; <165 cm, 165–170 cm, 170–175 cm, 175–180 cm, and ≥180 cm for men). We controlled for household- and individual-level random effects. We used a random-effect quantile regression model for monthly wages to assess the heterogeneity in the height–wage relationship, across the conditional distribution of monthly wages. We found a non-linear relationship of height with monthly wages. For men, the magnitude of the height wage premium was overall larger at the upper quantile of the conditional distribution of log monthly wages than at the median to low quantile, particularly in professional and semi-professional occupations. The height–wage premium was also larger at the 90th quantile for self-employed women and salaried men. Our findings add a global dimension to the existing evidence on height–wage premium, demonstrating non-linearity in the association between height and wages and heterogeneous changes in the dispersion and direction of the association between height and wages, by wage level.

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1. Introduction

People care about their height and about the height of others, and, in modern society, a taller stature is generally preferable to a shorter stature. Aside from general preferences for being tall, the impact of height on personal success in various aspects of life, such as marriage or careers, is a longstanding question that has been raised in the existing literature. For example, business executives were reported to be taller than average men in the United States in the early 20th century (Gowin, 1915), and in business industries this phenomenon has persisted in later surveys conducted in the 2000s (Gladwell, 2005). This has also been reported in politics, for example, in the presidential elections (Persico et al., 2004).

Height can influence wages through various channels related to health or genetics, ability, or discrimination (Lundborg et al., 2014). First, height may specifically reflect good genetic makeup, which is supported by the fact that human beings have become taller as society has evolved economically, particularly in the United States and European countries (Fogel, 1994; Heineck, 2005). Height is also a measure of investment in health, largely during childhood

(Duncan and Strauss, 1995). Height is easily observable and thus, it may signal an implicit health status to others, including employers (Duncan and Strauss, 1995; Dinda et al., 2006; Rashad, 2008; Böckerman et al., 2010). This is particularly true when sufficient food and nutrition are not available such as for poor workers with low socioeconomic status in underdeveloped or developing countries (Dinda et al., 2006).

The second channel is related to ability. The extent of any height premium for labor market performances was found to be greater in sales or management occupations, in which persuasion or negotiation may be more important for job success (Judge and Cable, 2004). This may result from different levels of interpersonal skills or simply a predilection for taller employees. Other theories underlying a height premium in the labor market, particularly in relation to wages, also focus on the potentially superior interpersonal skills of taller people compared to their shorter counterparts (Persico et al., 2004). Height affects how others view a person but also how people regard themselves (Judge and Cable, 2004). It has been suggested that self-esteem could be deteriorated as a result from the stigma of being short, and thus, impact on poor interpersonal skills (Martel and Biller, 1987; Wilson, 1968; Young and French, 1998). Alternatively, taller individuals might develop higher than average cognitive ability, particularly in relation to children (Case and Paxson, 2008; Deaton and Arora, 2009).

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The third channel explaining the height wage premium is related to discrimination. [Duncan and Strauss \(1995\)](#) reported that taller men are likely to be self-employed and earn higher wages in both the self-employed and salaried sectors. Similar premiums in the self-employment sector were also reported for the relationship between beauty and wages ([Biddle and Hamermesh, 1998](#)). These studies indicate that a preference for taller individuals by either employers or customers is a potential reason for the premium in labor market outcomes arising from being tall ([Sohn, 2015](#)). From a different perspective, theories based on statistical discrimination imply that short youths may invest less in their human capital, and therefore, there is less return on investment in short people ([Persico et al., 2004](#); [Tao, 2014](#)).

Indeed, a large number of studies in the social sciences have reported wage premiums for being tall in both sexes, independent from ability ([Behrman and Rosenzweig, 2001](#); [Case and Paxson, 2008](#); [Case et al., 2009](#); [Heineck, 2005](#); [Judge and Cable, 2004](#); [Loh, 1993](#); [Sargent and Blanchflower, 1994](#); [Persico et al., 2004](#); [Tao, 2014](#); [Yamamura et al., 2015](#); [Rashad, 2008](#)). The majority of previous studies were conducted in developed countries. Relatively few investigations have been conducted in developing countries, and these include Brazil ([Duncan and Strauss, 1995](#)), Ghana ([Schultz, 2002](#)), Ivory Coast ([Schultz, 2003](#)), India ([Dinda et al., 2006](#)), China ([Yamamura et al., 2015](#)), and Indonesia ([Sohn, 2015](#)).

The current study contributes further evidence to the existing literature by exploring the height–wage premium in Korea, a country that has experienced dramatic westernization over the past decades. This process of westernization has been associated with parallel changes towards a preference for the typical western physique, including a preference for being tall.

Furthermore, we advance existing knowledge by investigating whether the height–wage association differs according to wage levels by using a quantile regression model ([Koenker and Hallock, 2001](#)). Prior studies mostly estimated the association of height with wages at the mean, conditional on other covariates. However, the mean estimation does not address heterogeneous changes in the dispersion and direction of the association between height and wages across the entire conditional wage distribution, particularly at the ends of the distribution ([Han et al., 2013](#); [Johar and Katayama, 2012](#)). The conditional mean of monthly wages may not differ if the association is statistically significant only for individuals at the top or bottom of the monthly wage distribution ([Han et al., 2013](#)). [Johar and Katayama \(2012\)](#) recently added evidence of such heterogeneity in body weight penalties for wages, but no studies explore such variability in the height–wage premium by wage level. This study addresses the gaps in the existing literature.

2. Materials and methods

2.1. Data

We used data from the Korean Labor and Income Panel Study (KLIPS), an annual survey of 5000 households and all their members. The KLIPS is a nationally representative dataset based on multistage probability sampling, and contains extant information about labor market characteristics as well as other key information including height. The current study pulls data from 1998 and 2012. The final sample of the study includes 34,015 person-year observations for men and 20,233 for women aged between 20 and 65 years.

2.2. Variables

The dependent variable was monthly wage for the respondent's current job. Wages were measured in 10,000 Korean won, which

approximates 10 US dollars. The key independent variable is height, which was measured linearly in centimeters based on the respondents' self-report. The KLIPS data collected height only for 2005, 2007, and 2008. We generated an average height for those three years for sample persons aged 20–65, and used the average height as the adult height in the analysis, assuming that adult height does not vary ([Cawley, 2004](#)).

[Fig. 1](#) shows the unadjusted relationship between log monthly wages and adult height. There was a positive association between adult height and wages for both women and men, but the upward pattern of the association leveled off approximately after the average height for men. The unadjusted association indicated that there exists a non-linear relationship particularly for men. The figure also shows an anomaly in the association pattern in the tallest segment for men. Based on the distribution shown in [Fig. 1](#), we specified adult height as linear with its squared term in the estimation. We also generated a series of dummy indicators for height separately according to sex, as used in previous studies ([Sohn, 2015](#); [Huber, 2009](#)): <165 cm (reference), 165–170 cm, 170–175 cm, 175–180 cm, and ≥ 180 cm for men; <155 cm (reference), 155–160 cm, 160–165 cm, and ≥ 165 cm for women.

Another independent variable of interest was occupation sector, grouped into four categories including (1) professional or managerial, (2) semi-professional, (3) sales, and (4) other sectors (Korean Standard Industrial & Job Classification, 5th edition, 2000.1.7, Statistics Korea). A series of dummy indicators were generated to represent each occupation category with 'other sectors' as the reference. The occupation sector was also divided into self-employed versus salaried. Individuals were considered self-employed if they owned a small business with fewer than five employees, or salaried workers and unpaid family workers (who work 18 h or more per week for family members or relatives without being paid) who are employed in those small businesses ([Yun, 2011](#)). Employed workers, other than the self-employed were defined as salaried workers.

The following respondent characteristics were controlled for as covariates in all estimations: level of education as a series of dummy indicators for education less than high school graduate and high school graduate, with a reference to college education or higher; age in years and its squared term; residential area as metropolitan cities and medium to small cities, with a reference to rural; marital status as married, with a reference to being unmarried; number of children; highest educational achievement

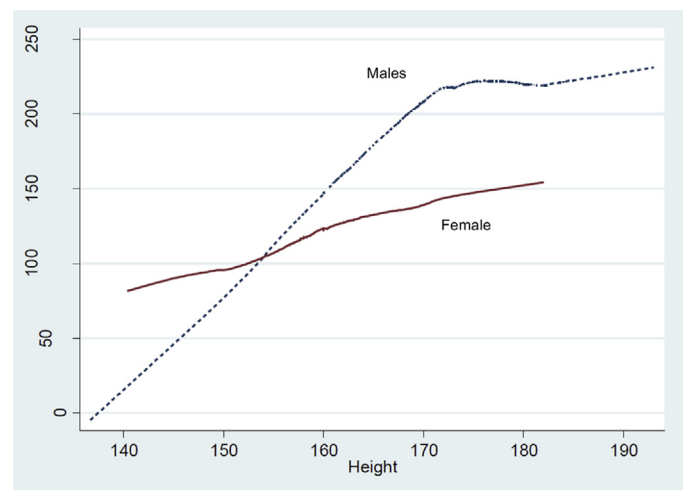


Fig. 1. An unadjusted distribution of monthly wages in one million Korean won over height in centimeters.

Note: Monthly wages is measured in one million Korean won and height is measured in centimeters.

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