



# Gender and the effect of working hours on firm-sponsored training<sup>☆</sup>



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## ABSTRACT

Using employees' longitudinal data, we study the effect of working hours on the propensity of firms to sponsor training of their employees. We show that, whereas male part-time workers are less likely to receive training than male full-timers, part-time working women are as likely to receive training as full-time working women. Although we cannot rule out gender-working time specific monopsony power, we speculate that the gender-specific effect of working hours on training has to do with gender-specific stereotyping. In the Netherlands, for women it is common to work part-time. More than half of the prime age female employees work part-time. Therefore, because of social norms, men working part-time could send a different signal to their employer than women working part-time. This might generate a different propensity of firms to sponsor training of male part-timers than female part-timers.

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## 1. Introduction

In the past decades, part-time work has been increasing in many countries, especially for women (Boeri and van Ours, 2013). Working part-time has a variety of implications. On the one hand, it allows women to combine work and care. On the

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other hand, it is associated with job instability, with lower pay and fewer opportunities to make a career. One of the reasons suggested for part-time workers to have less career opportunities is that they are less likely to receive employer-sponsored training (Bassanini et al., 2007; Blundell et al., 1996). As a consequence, their productivity does not increase as much as it would have increased otherwise. If part-time work reduces on-the-job training, inequality in earnings may increase with the share of part-time workers. Therefore, studying the relationship between part-time work and employer-sponsored training is relevant from a policy point of view.

Our paper is on the extent to which part-time workers in the Netherlands receive firm-sponsored training. In our analysis we make a distinction between part-time working women and men. As far as we know, Backes-Gellner et al. (2014) is the only study that investigates gender-specific differences in the relationship between part-time employment and firm-sponsored training. Analyzing Swiss data the authors find that female workers are less likely to receive firm-sponsored training than male workers. However, there is also a part-time effect with part-timers being less likely to receive training than full-timers. This part-time training gap appears to be gender-specific. Whereas women working part-time have a similar training incidence as full-time working women, part-time working men are less likely to be trained than full-time working men. The authors argue that their findings may be due to stereotyping where employers think that men who work part-time signal a lower attachment to their job.

We present an empirical analysis of the relationship between hours of work and firm-sponsored training. We show that the negative effect of part-time work on the probability of receiving employer-sponsored training holds for male workers but not for female workers. Whereas male part-time workers are less likely to receive training, part-time working women are as likely to receive training as full-time working women. We cannot rule out the possibility of gender-working hours specific monopsony power but we speculate that the gender-specific effect of working hours on training has to do with gender-specific stereotyping. In the Netherlands, for women it is common to work part-time. More than half of the prime age female employees work part-time. Among younger and older female workers the share of part-timers is even higher. On the contrary, working part-time is a rare event for men. Except for younger and older men, the share of part-timers is below 10%. So, part-time working men are a rare breed. Therefore, because of social norms, men working part-time could send a different signal to their employer than women working part-time. This might generate a different propensity of firms to sponsor training of male part-timers than female part-timers. Nevertheless, this different propensity may also have to do with firms having more monopsony power over part-time working women than they have of part-time working men. This would allow them to reap some of the productivity-related benefits of the training of part-time working women.

Our contribution to the literature is twofold. First, as far as we know, our paper is the first one to use panel data to study whether there are gender-specific differences in the relationship between part-time work and training. An advantage over the previous literature (i.e. Backes-Gellner et al., 2014) is our ability to exploit the longitudinal nature of our data to control for individual unobserved individual characteristics. Second, we study data from a country with a high share of part-time workers. This allows us to study the relationship between part-time work and training in great detail.

Our paper is set up as follows. Section 2 provides a discussion on the nature of part-time work and describes the institutional set-up of the Dutch labor market with respect to the use of part-time work. Section 3 describes the data and the sample used in the empirical investigation. Section 4 formalizes the econometric model and clarifies the identification strategy. The estimation results are presented and discussed in Section 5. Finally, Section 6 concludes.

## 2. Part-time employment

### 2.1. The nature of part-time work

Part-time work is often confused with flexible labor and inferior labor standards. However, the main difference between part-time jobs and flexible jobs is that part-time jobs provide flexibility to the employer and job protection to the workers while flexible jobs provide flexibility to the employer and insecurity to the worker. Part-time jobs provide flexibility to the employer in terms of allocating hours of work across the workweek or workday to meet peaks in market demand. Part-time jobs provide flexibility to the worker in terms of allocating hours of work across the workweek to better coordinate work and personal activities. A part-timer can have a temporary contract or a permanent contract.

There are quite substantial cross-country differences in the nature of part-time work. There is a negative cross-country relationship between the share of women working part-time and the share of involuntary part-timers. This negative relationship may seem counter-intuitive but it is not. The quality of the part-time job is the mediating variable. Although typically part-timers enjoy less favorable employment conditions these are not embedded in part-time jobs. The higher the share of part-timers the stronger is their bargaining position. If the share of part-timers increases, the quality of part-time employment increases as well (see also Boeri and van Ours, 2013). Therefore, whether or not a part-time job is an inferior job also depends on whether part-time jobs are a rare phenomenon.

It is not the case that part-time jobs offer intrinsically less job stability to the individual worker, although in many countries part-time work and job instability are correlated. Blázquez Cuesta and Moral Carcedo (2014) study labor market transitions in Denmark, the Netherlands, France, Italy and Spain, using data from the European Community Household Panel (1995–2001). They find that part-timers are more likely to make a transition to non-employment than full-timers in four of the five countries. However, in the Netherlands transition rates from employment to non-employment are very similar for part-timers and full-timers. So, also in terms of job stability, the position of part-timers is clearly country-specific.

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