University of Warsaw
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Work from Home and Careers in the Post-Covid Context: Evidence from a Discrete Choice Experiment

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THE AIM OF THE PAPER AND ITS CONTRIBUTIONS

We analyze **effects of WFH on workers' career opportunities** (promotion, salary increase, training) in the UK:

- Late-/Post-covid context (2nd half of 2022)
- Gender and parenthood perspective
- Mechanisms that drive different career opportunities of workers who WFH
- Experimental design: self-designed discrete choice experiment

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THEORETICAL FRAMEWORK:
WHY WFH AFFECTS CAREER OPPORTUNITIES?

WORK PERFORMANCE

WORK COMMITMENT

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THEORETICAL FRAMEWORK: WHY WFH AFFECTS CAREER OPPORTUNITIES?

WORK PERFORMANCE

POSITIVE:

- fewer workplace distructions
- higher job satisfaction
- less commuting
- larger effort in exchange for flexibility

NEGATIVE:

- lack of consistent communication with colleagues, knowledge exchange or interpersonal networking
- more workplace distructions, family-to-work spillover

WORK COMMITMENT

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WORK COMMITMENT

POSITIVE:

- high work commitment
- WFH for organisation-serving motives

NEGATIVE:

- Low work commitment
- WFH for individual-serving motives

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THEORETICAL FRAMEWORK: GENDER & PARENTHOOD

WORK PERFORMANCE

POSITIVE:

- fewer workplace distructions
- higher job satisfaction
- less commuting
- larger effort in exchange for flexibility

NEGATIVE:

- lack of consistent communication with colleagues, knowledge exchange or interpersonal networking
- **more workplace distructions, family-to-work spillover**

WORK COMMITMENT

POSITIVE:

- high work commitment
- WFH for organisation-serving motives

FATHERS (fatherhood premium)

NEGATIVE:

- Low work commitment
- WFH for individual-serving motives

MOTHERS
FATHERS (ideal worker norms)

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PAST EVIDENCE (pre-Covid)

OBSERVATIONAL STUDIES

- Weeden (2005): **+** effect on wages
- Leslie et al. (2012): **+** effect but only if the request to WFH not driven by personal motives
- Arntz et al. (2022): **+** effect on hourly wages **for fathers**, unless mothers change employers
- Golden and Eddleston (2020): no effect on promotions but **lower salary growth**

EXPERIMENTAL STUDIES

- Bloom (2015): **-** effects on promotion despite increases in productivity
- Fernandez-Lozano et al. (2020): **-** effects on promotion
- Munsch (2016): **-** effects on promotion but their magnitude **lower** for workers who request WFH for **childcare reasons** (especially fathers)

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DATA

Online **discrete choice experiment** (July and December 2022)

- an online opt-in panel
- each respondent was presented with three pairs of workers' profiles and had to **choose one** of them for promotion and salary increase

Managers (N=937) from the UK who:

- Supervise at least 5 employees
- Work in companies with at least 10 employees
- Work in occupations in which at least 50% of jobs can be done at home (Dingel & Neiman, 2020)
- Quota sample, representative by manager's gender, firm size and firm location

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AN EXAMPLE OF THE PAIR OF PROFILES

Please, familiarise yourself with the two profiles and answer the questions below.

	Worker A	Worker B
Performance rank (below satisfactory, satisfactory, exceptional)	not provided	not provided
Work experience in the sector (in full-time equivalent)	13 years	8 years
Family situation (numer of children of age 14 and below)	0 children	3 children
Working mode (full time, 5 days a week)	3 days at office; 2 days at home	5 days at office
Sex	men	women
Skills rank (1 very weak, 5 very strong)	social 2, analytical 3	social 3, analytical 2
Age	40 years old	38 years old

Full-time teleworker: 5 days at home
Hybrid: 2 days at home, 3 days at office
Onsite: 5 days at office

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Half of the pairs of profiles has no info on work performance

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1. Which employee would you give **promotion** to?
2. Which employee would you give **salary increase** to?
3. Which employee would you give **training** to?
4. Which employee do you consider to be more **committed** to work?

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DATA ANALYSIS

Logistic regression with **working mode** as main explanatory variable

Outcome variables: promotion, salary increase, training

Control vars: workers' sex, age, work experience, skills (social and analytical), parenthood status

Testing the role of work performance in explaining the WFH effect:

Model on total sample with interaction WFH#performance, Models on subsamples (performance unknown vs. known)

Testing the role of work commitment in explaining the WFH effect:

Models on the sample with known performance & controlling for commitment, Mediation analysis

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Results I: the effect of WFH on careers

PERFORMANCE UNKNOWN

	promotion	salary increase
Mode of work (ref: office)		
Hybrid	0.717***	0.740**
	(-3.442)	(-3.12)
Home	0.632***	0.672***
	(-4.776)	(-4.15)

* 0.05 ** 0.01 *** 0.001, z-score in parentheses.

Results I: mediating effect of work performance

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Home	0.632***	0.672***
	(-4.776)	(-4.15)

PERFORMANCE KNOWN

	promotion	salary increase
Mode of work (ref: office)		
Hybrid	0.954	0.952
	(-0.469)	(-0.489)
Full-time telework	0.617***	0.734**
	(-4.705)	(-3.018)

* 0.05 ** 0.01 *** 0.001, z-score in parentheses.

Results I: mediating effect of work commitment

PERFORMANCE KNOWN

	Promotion	Salary increase
Natural indirect effect		
Hybrid vs Office	0.90*	0.91*
	(-2.17)	(-2.16)
Full-time telework vs Office	0.71***	0.72***
	(-6.52)	(-6.47)
Natural direct effect		
Hybrid vs Office	1.06	1.05
	(0.82)	(0.65)
Full-time telework vs Office	0.93	1.06
	(-0.96)	(0.8)
Total effect		
Hybrid vs Office	0.96	0.95
	(-0.51)	(0.56)
Full-time telework vs Office	0.66***	0.77**
	(-4.77)	(-3.12)

* 0.05 ** 0.01 *** 0.001, z-score in parentheses.

due to perceived work commitment

Results I: mediating effect of work commitment

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Results II: the effect of WFH on careers for fathers/mothers

FATHERS

PERFORMANCE UNKNOWN

PERFORMANCE KNOWN

	promotion	salary increase
Mode of work (ref: office)		
Hybrid	0.693*	0.649*
	(-2.137)	(-2.514)
Home	0.571**	0.604**
	(-3.207)	(-2.892)
Mode of work (ref: office)		
Hybrid	1.09	0.919
	(0.487)	(-0.475)
Home	0.671*	0.799
	(-2.228)	(-1.263)

* 0.05 ** 0.01 *** 0.001, z-score in parentheses.

	FATHERS	
	Promotion	**Salary increase**
Natural indirect effect		
Hybrid vs Office	0.87	0.87
	(-1.92)	(1.92)
Full-time telework vs Office	0.70***	0.72***
	(-3.7)	(-3.68)
Natural direct effect		
Hybrid vs Office	1.24	1.07
	(1.61)	(0.48)
Full-time telework vs Office	1.02	1.14
	(0.14)	(0.96)
Total effect		
Hybrid vs Office	1.08	0.93
	(0.48)	(-0.51)
Full-time telework vs Office	0.71*	0.83
	(-2.24)	(-1.28)
Observations		913

Results II: the effect of WFH on careers for fathers/mothers

MOTHERS

	promotion	salary increase
PERFORMANCE UNKNOWN		
Mode of work (ref: office)		
Hybrid	0.907	1.089
	(-0.58)	(0.504)
Home	0.821	0.774
	(-1.204)	(-1.573)
PERFORMANCE KNOWN		
Mode of work (ref: office)		
Hybrid	0.833	0.973
	(-1.042)	(-0.158)
Home	0.484***	0.714
	(-4.117)	(-1.917)

NO EFFECT!

NEGATIVE EFFECT

* 0.05 ** 0.01 *** 0.001, z-score in parentheses.

Results II: the effect of WFH on careers for fathers/mothers

MOTHERS

PERFORMANCE UNKNOWN

PERFORMANCE KNOWN

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	(-4.117)	(-1.917)

* 0.05 ** 0.01 *** 0.001, z-score in parentheses.

	MOTHERS	
	Promotion	**Salary increase**
Natural indirect effect		
Hybrid vs Office	0.93	0.94
	(-0.86)	(-0.86)
Full-time telework vs Office	0.73***	0.74***
	(-3.57)	(-3.52)
Natural direct effect		
Hybrid vs Office	0.92	1.05
	(-0.67)	(0.42)
Full-time telework vs Office	0.74*	1.02
	(-2.43)	(0.17)
Total effect		
Hybrid vs Office	0.86	0.98
	(-1.03)	(-0.12)
Full-time telework vs Office	0.54***	0.75*
	(-4.17)	(-1.96)
Observations		975

CONCLUSIONS

- **Hybrid and home-based workers face worse career opportunities than onsite workers (are less likely to be chosen for promotion or salary increase)**
- The negative effect of hybrid WFH is explained mostly by employers' assumptions about workers' performance; the rest by employers' perceptions about workers' commitment
- The negative effect of full-time WFH is explained by employers' perceptions about workers' commitment

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- **Hybrid and home-based workers face worse career opportunities than onsite workers (are less likely to be chosen for promotion or salary increase)**
- The negative effect of hybrid WFH is explained mostly by employers' assumptions about workers' performance; the rest by employers' perceptions about workers' commitment
- The negative effect of full-time WFH is explained by employers' perceptions about workers' commitment
- **The two channels (work performance and work commitment) explain fully the ‚career penalty' for WFH**
- These findings hold for fathers (no fatherhood bonus), but not mothers!

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CONCLUSIONS

- Mothers who WFH have similar chances for promotion and salary increase as onsite working mothers as long as employers do not know their performance
- Once employers know their performance they tend to evaluate teleworking mothers far more critically
- **Employers assume (expect ?) teleworking mothers to be more productive when they work from home (in exchange for the flexibility?)**
- They also consider teleworking mothers as less committed to work

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Thank you!

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POLSKIE POWROTY
POLISH RETURNS

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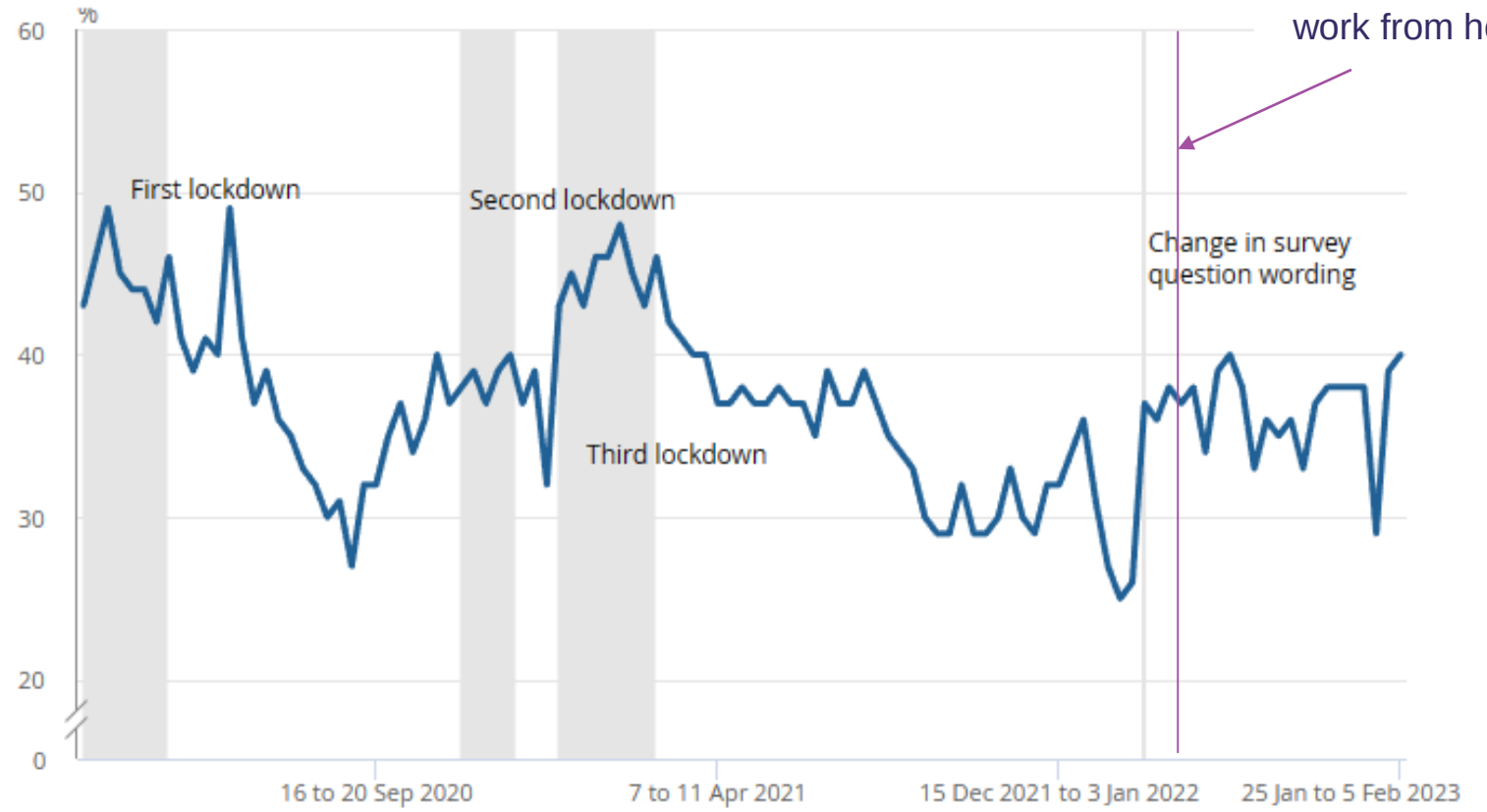
BACKGROUND

Proportion of working adults in Great Britain, March 2020 to February 2023



Government guidelines to work from home were lifted

BEFORE THE PANDEMIC:
5.7%

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