

Flexible Men and Successful Women: The Effects of Flexible Working Hours on German Couples' Wages

Laura Antonia Langner

Department of Sociology, University of Oxford & Nuffield College

Work hour flexibility is believed to help couples manage career and family demands. The German Socio-Economic Panel Study (GSOEP) is unique in following both the flexible employee *and* their partner over time. The study utilizes this feature to investigate whether the take-up of work hour flexibility is detrimental for the flexible employee's wage development. Men and women benefit from flexible working hours. For women, this positive wage effect occurs late, suggesting that, unlike men, they must first prove their commitment.

Moreover, it tests for the first time whether flexible workers' partners profit from the increased couple-level flexibility. The positive cross-partner effect for the inflexible partner is particularly pronounced for mothers' wages, suggesting that men may use flexible working hours to support their wives' careers.

These measures are not necessarily used more frequently by those in need, e.g. parents or women. Instead, they seem to be accessed by those in sought-after positions.

Keywords

cross-partner effect, dual earner couples, Germany, longitudinal, flexible working hours, work schedule flexibility, GSOEP, wages, work hour flexibility

Dr Laura Antonia Langner, Department of Sociology, University of Oxford, Manor Road Building, Manor Road, Oxford OX1 3UQ, laura.langner@nuffield.ox.ac.uk

Introduction

The rise in female labour market participation has resulted in more couples wondering how increasing workplace demands can be combined with family life without having to renounce either a family or dual earnership. Scholars and the German government have proposed flexible working hours as one means to overcome work-family conflict (Schieman et al., 2009; Voydanoff, 2004; Moen and Sweet, 2004; BMFSFJ, 2010; BMWI, 2010). This article tests whether the employee actually benefits from work hour flexibility take up. Moreover, it adds to the literature by testing for the first time whether the inflexible partner benefits from the new couple-level flexibility.

It is unclear whether the measure has a positive effect on the career of its user. On the one hand, if work hour flexibility is employee-driven, it may decrease work-life stress. This reduction can in turn enhance career rewards through increased output productivity (Gariety and Shaffer, 2001). Schedule flexibility further provides the opportunity to increase working hours by working at non-core times. Both effects may result in higher wages, either as a reward for higher productivity or because the employee is able to assume more demanding positions. On the other hand, the adoption of work hour flexibility may be interpreted by the employer as a lack of commitment, which may result in lower wages. Empirical findings have been mixed.

Moreover, the effect may interact with gender. If women generally disinvest in their career when having children, a woman who seeks work hour flexibility may likewise be assumed to be disinvesting, irrespective of her individual intentions (Budig and England, 2001; Petersen et al., 2014). Mothers and part-time workers may find it particularly hard to demonstrate their commitment (Budig and England, 2001).

With regards to cross-partner effects, we know that a partner's overwork can have detrimental effects on a woman's career: they may reduce their hours or leave because of couple-level time pressures (Cha, 2010). Interestingly, none of the studies to date examines whether positive cross-partner effects exist for those in a relationship with a flexible partner. This is a curious omission, as partners of flexible workers may profit indirectly from new couple-level flexibility. Women and mothers in particular may benefit from the delegation of time-inflexible tasks to their flexible partner or by using his (possibly higher) income to buy in services. They may thereby be able to demonstrate higher commitment to their employer in terms of hours, assuming more demanding positions and/or increase productivity. This may result in higher wages.

On a societal level, work hour flexibility thereby has the potential to decrease wage and labour market participation inequalities between the sexes.

Despite these compelling arguments, there has been no quantitative study on the cross-partner effects associated with work hour flexibility. Instead, quantitative research has focussed exclusively on the individuals who use schedule flexibility. This lack of evidence is likely attributable to a lack of couple-level data which captures work hour flexibility. The German Socio-Economic Panel Study (SOEP) is unusual in measuring both. It is also unusual in capturing the work hour flexibility longitudinally; this enables researchers to follow the same individuals over time. In contrast, a cross-section allows only for a comparison of those working flexibly with those who do not. It further samples across West Germany, rather than working with a particular subsample (e.g. companies) (Blair-Loy and Wharton, 2002). Using this dataset's strengths, the article examines:

(1) Who makes use of the work hour flexibility measure?

(2) What influence does work hour flexibility have on the person assuming this arrangement?

(3) What influence does the flexibility have on their partner's career?

(4) To what extent do the effects differ by gender and parental status?

Effects on a career may be characterised as exerted if the work hour flexibility measure is associated with an increase in hourly wages. Henceforth, the person assuming the arrangement is referred to as the respondent or the flexible partner, while the other partner is referred to as the partner or the inflexible partner.

Because East and West Germany differ in their gender role attitudes and in their institutional support for working parents (childcare) and because the sample size for East Germany is too small, this study examines West Germany only. It provides a particularly interesting case with traditionally low levels of female employment support, e.g. tax policies favouring a male breadwinner model and low childcare provision both across families and across the day during the years studied (Steiber and Haas, 2010). In this particularly challenging public policy environment it is likely that couples will turn to their employers to reduce work-life compatibility stress. These measures are also more likely to have an effect.

Theories and findings on the users and effects of work hour flexibility

Who works flexibly?

There are likely to be different types of work hour flexibility. These are in turn determined by different variables: work hour flexibility may be available in certain positions to attract or retain sought-after employees, it may be part of a particular job (with work not

needing to be done according to a schedule) or it may be sought by employees who wish, through the measure, to combine work and family-life more effectively.

An employer may risk losing managerial and professional workers as they might not be able to combine high, inflexible hours and family demands. Employers may hence decide to offer flexible hours to attract or retain sought-after employees. Based on past studies, one would expect to find differences in the usage between **high service** occupations and other employees (Galinsky et al., 2011).¹ Alternatively, work hour flexibility may be a feature of particular positions. Hence an internal promotion may lead to higher wages and better work hour flexibility opportunities. These higher positions are more likely to be occupied by men because the male partner's career tends to take precedence within a couple (Stone, 2007).

Three groups in particular are assumed to seek flexible working hours. First, other flexibility measures such as part-time work are predominantly used by **women** in West Germany (Steiber and Haas, 2010). They may also be more likely to adopt flexible working hours. Second, since flexible hours should reduce the need to work fewer hours, it is assumed that respondents who **work full-time** mostly utilise these measures. Third, because **parents** face higher time demands, they are expected to utilise more of these measures (Jacobs and Gerson, 2001).

Work hour flexibility and careers

The effect of schedule flexibility on the person entering work hour flexibility is far from clear on theoretical and empirical grounds. Two plausible theoretical notions, “productivity” and “commitment signalling”, work in opposite directions. Productivity theory assumes that working flexibly allows respondents to meet commitments at home (Rose, 2014). This may reduce work-life compatibility stress, which may lead to higher productivity (Gariety and Shaffer, 2001; Glass, 2004). Indeed, researchers found that work hour flexibility reduced the clash between family and work commitments, as well as stress, fatigue, sleeping

problems, backaches, headaches and job dissatisfaction (Ala-Mursula et al., 2006; Costa et al., 2004). However, a rigid schedule may benefit some workers through being more predictable. Blair-Loy found in a qualitative study on brokers that schedule rigidity was associated with less work-life conflict (Blair-Loy, 2009). Kelly et al., however, found that a change in schedule control had a positive effect on high- and low-demand jobs (2011). Another study by Kelly et al. found no relationship between work hour flexibility and higher psychological job demands (2014). Weeden proposes another mechanism (2005): employees perceive the newly-won flexibility as a gift and in return invest more in their jobs.

In contrast, the notion of “commitment signalling” argues for the existence of a “flexiglass ceiling” (Weeden, 2005). An employer might perceive the request for flexible hours as a sign of lower levels of commitment (Glass, 2004). Moreover, if employees spend less time working during core hours, they reduce the face time spent with the employer. Being perceived as an absent and hence uncommitted employee can counteract the positive productivity effects on wages.

Again, gender discrimination is likely to play a role: a woman’s request—and a mother’s request in particular—for work hour flexibility might be interpreted more negatively than a man’s as they may be more likely to leave or curb hours (Budig and England, 2001).

Similarly, part-time workers may be signalling disinvestment via two measures, possibly resulting in an employer offering fewer training and promotion opportunities (Budig and England, 2001; Glass, 2004). The administrative costs associated with these flexibility measures may also be indirectly deducted from the employee’s wages (Weeden, 2005).

Alternatively, there may be two types of work hour flexibility: one that often comes with a job and may hence be beneficial for workers’ productivity when used (e.g. a social science researcher using this flexibility to work effectively at night-time which may or may not result in higher wages) and the other one that is sought after by employees (e.g. by mothers) which may not result in higher wages.

The effects on the nonflexible partner are clearer. A partner's resources have been shown to affect the respondent's career (Bernardi, 1999; Verbakel and de Graaf, 2008). The adoption of schedule flexibility may have similar positive cross-partner effects in terms of career mobility. Time-inflexible tasks can now be delegated to the flexible partner. The higher income may allow the couple to outsource unpaid work (Cohen, 1998). This may allow the non-flexible partner to increase their own working hours—particularly if he/she had already reduced their hours to manage inflexible tasks. This may apply to mothers in particular.

So far, no quantitative analysis on West Germans has been conducted. Past studies, which have been carried out mainly in the US, have mostly been cross-sectional and have produced divergent findings. Boushey (2008) found that for American mothers there was no significant effect on wages if one controlled for part-time work and education, while Weeden (2005) and Gariety and Shaffer (2001) detected a significant wage premium for men and women. It remains unclear whether the different results are attributable to the more generic sample chosen.

Moreover, the cross-sectional analyses on wages could not account for the fact that what appears to be an effect of work hour flexibility on wages may be the result of unobserved factors or selection. Selection may occur if sectors which are more likely to offer schedule flexibility are also more likely to offer higher wages. Alternatively, mothers could earn less in return for the option of flexibility (Glass, 2004). A longitudinal design is crucial to disentangle these effects. Glass' longitudinal study measured the differences in wage growth of 162 working mothers in the Midwestern United States. Again, no effect was found with regards to the mothers' wages. Employee and employer selectivity were not significant. The results might be attributable to the study's focus on mothers (Glass, 2004).

The following analysis is not as restricted, as it employs data from both genders across West Germany. Fixed effects models are fitted to test if the positive effects of working flexible hours remain after accounting for those wage level differences which were due to

unobserved variables (e.g. parental background affecting both wages and the likelihood of working flexible hours).

To summarize, this article is the first to examine the effect of flexible working hours on both the respondent and their partner, thereby testing for the first time implicit assumptions about positive cross-partner effects. Secondly, it combines the methodological strengths of two main papers in the field, working with a generic sample (as in Weeden) rather than focussing on particular groups, while also analysing the questions longitudinally (as in Glass). This allows for measuring the effect of flexibility tenure and accounts for time-constant unobserved variables. Finally, this article conducts a subsample analysis on parents, as they are likely to face unique challenges.

The West German Context

79.7% of German companies judged family friendliness as important or rather important (BMFSFJ, 2010). For companies, the motivation for implementing flexibility measures included the ability to keep and recruit qualified employees and to increase job satisfaction, productivity and the speed of re-integration for parents (BMFSFJ, 2010).

Female employment has traditionally been disapproved of in West Germany. Even in the 2004/5 European Social Survey, 50% agreed that “Women should be reducing their hours for family commitments”. 51% agreed that “a pre-school child suffers if the mother is working” (Steiber and Haas, 2010: 258). Institutions have reflected this lack of support. Although politicians have passed legislation to guarantee childcare from 2013, only 7% of under-three year-olds in West Germany were provided with childcare in 2006 compared to 22.3% in 2012 (Destatis, 2007, 2013). In 2006 61% of Germans used childcare for children 3+ which only covered up to 30 hours a week (Plantenga and Remery, 2009). This was reflected in a low number of dual-earner couples: 28% between 2004 and 2006. In 5% of couples, the woman was the main earner. 31% lived in a male breadwinner arrangement. In

26% of couples the woman worked part-time and the man full-time (Steiber and Haas, 2010). Due to the scarcity of state-level support, West Germans in particular may have been assuming work-hour flexibility.

With regards to the effects of work hour flexibility, gender discrimination is likely to play a role. Women in West Germany are more likely to work part-time and to drop out of the labour market (Blossfeld et al., 2001). Consequently, women, mothers and part-time workers may generally be perceived as being less committed to the labour market.

With regard to cross-partner effects, West German men who are the main earners may not be able to invest further in their careers and might not benefit if their partners start working flexibly. The opposite holds true for women, who tend to work part-time and hence can raise their working hours and decrease unpaid hours once they are supported by flexible husbands (Steiber and Haas, 2010). They are therefore likely to experience a wage boost.

Data

This article's analysis used the German Socio-Economic Panel Study (SOEP),² a study launched in 1984 which questions household members annually. This allowed the researcher to follow individuals and their immediate household members over time. The analysis used SOEP version 28 (years 1984-2011), consisting of 57,049 individuals, 45,658 of whom are currently living in West Germany. The average first-wave response rate was 54.02%.³ For further details see SOEP, 2010; Kroh et al., 2014, Siegel et al., 2014. The following analysis included only those of working age (25 to 60), which left 31,529 individuals. Only the 26,774 working individuals were kept.

Dependent Variable

Career attainment was measured as gross log hourly wages, derived from the contractually agreed hours and deflated to 2005 values (Statistisches Bundesamt, 2013). The

log reflects an interest in relative rather than absolute change (and made the distribution look more normal). All cases in which gross earnings were unreasonably higher than net earnings (above 2.2 times) or below 1 Euro an hour were dropped, resulting in a subsample of 26,498 individuals.

Independent Variable of Interest

Work hour flexibility was measured in 2003, 2005, 2007, 2009 and 2011. Consequently, the study used only these waves. The survey asked: working time arrangements can be very varied these days. Which of the following options/opportunities is most applicable to your job/work?

- (1) Fixed start and end time of daily work
- (2) Employer-determined, partially changing daily working hours
- (3) No formal working time arrangements, I determine my working hours myself.
- (4) Gliding time and flexitime wage record which gives me a degree of self-determination.

Only answers 3 and 4 were kept and work hour flexibility was coded to one for these employees.⁴ The former was fully flexible at the employee level, while the latter was a mixture of employee and employer-driven flexibility. Consequently, the latter was also an advantage to the employer, who could seasonally adjust the working hours of employees. One should note that the question does not answer whether the employer offered or the employee requested the flexibility in the first place.

Since the aim was to measure whether work hour flexibility was associated with wage changes, only individuals who entered flexible work during the observation period and had consecutive observations of the flexibility status were kept. Only the first spell of flexibility

was observed.⁵ This sample definition yielded 9,319 individuals, 1,211 entered, 456 stayed two years, 192 stayed four years, and 86 remained for six years in a flexible work hour arrangement (the latter were dropped). Since the duration effect of work hour flexibility was of interest, an **interaction between working flexibly and the dummies of time spent in flexible work** was added to the model.

For the partner regression, the sample was further restricted to employed heterosexual couples, in which the partner was aged 25-60 years. This resulted in a subsample of 5,365 individuals. 648 had partners who entered, 256 had partners who stayed two years, and 123 had partners who worked for four years in a flexible arrangement.

Methods and measurements

One advantage of this study is that the same individuals have been interviewed repeatedly over time. This allows one to study how *entering* work hour flexibility is associated with a *change* in the *same* individual's wage. By contrast, in a cross-sectional study, participants would be interviewed just once, meaning that one could only *compare* the wages of individuals who are working flexibly to the wages of *other individuals* who are not working flexibly *at one point in time*. This can be problematic if certain characteristics which do not change over time and are not observed in the data (e.g. parental background) affect both the likelihood of working flexible hours and the likelihood of being offered higher wages. In this case, what might appear to be a difference in wage between flexible and non-flexible workers may instead be down to differences on another unobserved variable (e.g. parental background).

Besides being able to capture within-individual change, longitudinal data allows the cancellation of (and thereby control for) any variable which does not change over time even if unobserved. One way to do this is to use a fixed effects model used in this article which subtracts an individual's over-time mean from the individual's current observation, leaving only the deviation from the mean. For further details see Allison (1994) and the appendix.

Overall, instead of examining how flexible and non-flexible workers differ, this article analyses how one individual's move into work hour flexibility changes the employee's own wage in T (with T being the time-point at which the respondent enters work hour flexibility), T+2 and T+4 when compared to T-2 (not having entered work hour flexibility).

Control Variables and Subsample Analyses

Since fixed effects models control for all variables which do not change over time, only time-varying variables were included as controls. A limited number of control variables were used because of the sample size.

For respondents, the self-employed were again excluded throughout the models. The baseline regression accounted for period-specific wage shifts (e.g. economic crisis) via **dummies for survey years**. Moreover, **years of experience in part-time and full-time employment** and **its squared term** were included.⁶ To understand whether the change in wage was caused by a **simultaneous employer change**, cases in which the employee changes the employer were **dropped**. Employer change was coded as one for all subsequent years if the person held a higher tenure with their employer in the previous year as opposed to the current year. Similarly, the **private sector** may punish employees more than the public sector for entering work hour flexibility. Consequently, a subsample analysis on private sector employees was performed. Throughout, a subsample-analysis was run for **men and women**. To understand whether women who might be interpreted as having a lower or higher commitment also profit, the sample was divided into two groups: **working at least 30 hours or below 30 hours**. Separate analyses were run for **parents**.

People might have indicated that they worked fewer hours if they worked more flexibly. This might have biased the results: if more flexibility lead to fewer hours worked, this might have produced a positive but spurious effect between flexibility and hourly wages. To understand whether a change in **actual hours** resulted in higher wages, they were also controlled for. To understand if change in occupational level (status) explained the wage

change, the camsis scale (which uses “spousal occupational association as an indicator of social distance”) was employed (Prandy and Lambert, 2003: 398). Any shift on this scale, no matter how minor, was captured as a deviation from the individual-level over-time mean. If the wage change had been caused by a promotion which occurred when entering work hour flexibility, then the effect of work hour flexibility would have disappeared.

For the inflexible partner analyses, partners who **changed their employer** during the period of observation were excluded to ensure that this was not the cause of the partner adopting work hour flexibility. The effect on the partner, rather than the source, was of interest. In contrast to the analyses of the respondents, the self-employed were kept in this analysis. A separate subsample analysis was performed for **men and women** and **mothers and fathers**. The basic model controlled for **period** and **human capital effects**.

Results

Descriptive Statistics

[Table 1]

Men were significantly more likely than women to work flexible hours. This is surprising, as other measures such as part-time work were predominantly used by women: only 33% were working full-time in 2004/7 (Steiber and Haas, 2010: 265). It is particularly interesting in light of Glass’ proposition that if work-family policies are no longer only associated with female occupations, women will no longer have to choose between flexible low-paying jobs and inflexible high-paying full-time jobs, as the associated wage gap will disappear (2004). Instead of differential preference, the distribution across both genders may reflect the differential availability of work hour flexibility in predominantly male or female occupations (Weeden, 2005). Alternatively, if women are more likely to work part-time, they may also be less likely to work flexible hours. Another explanation may be that it is about the

level one has reached: flexible hours may only be available once one is promoted to the top of the career ladder, which women are less likely to reach (Haveman and Beresford, 2012).

The significantly higher proportion of full-time workers adopting flexible working hours reflects a higher level of need (35.40% vs 26.48%). This was also apparent in the significantly larger number of high service employees: nearly two thirds worked flexibly, whereas in other occupations only a third had a flexible arrangement.⁷ The differences between parents and non-parents were negligible (36.6% vs 34.4%), possibly reflecting a difference in those who needed and those who were offered work hour flexibility. Work hour flexibility was predictably associated with a recent job change at/to the same employer.

The effect of work hour flexibility on respondents

[Table 2]

To what extent is work hour flexibility associated with better or worse wages? In the baseline model, which included period effects (i.e. survey years to control for fluctuations in earnings due to changes on the employment market) and changes in human capital (measured as changes in work experience), both men and women profited significantly from work hour flexibility, though the benefits amongst women were confined to those who worked flexibly for at least four years. Even among those who did not change employer and when examining private sector employees only, both men and women experienced a positive wage effect. For women, the size of the effect increased in the private sector subsample.

In subsequent models, the analysis excluded self-employed respondents and those who changed employers. After all, self-employed individuals are not reliant on an employer and may therefore not be punished for demonstrating lower commitment. Excluding those individuals who changed employer disallowed the possibility that a person had changed to a more flexible employer offering higher or lower wages.

The positive effect was fairly immediate for men, whereas for women it was limited to those who had worked flexibly for at least four years.

[Table 3]

In table 3 models 2 and 3, women working at least 30 hours still profited from work hour flexibility: their hourly wage was 6.6% higher (exp 0.064) after four years. Women who worked below 30 hours did not profit significantly. To what extent are work hour flexibility measures associated with higher wages for parents (models 5 and 6)?

[Figure 1]

Figure 1 summarizes the predicted percentage changes in hourly wage (i.e. the exponentiated coefficients) for those entering flexible work. Mothers did not benefit significantly. In contrast, fathers' wages increased immediately: they earned 5.9% more (exp .057), although this effect attenuated after four years.

To understand whether those who worked flexible hours for less than four years were different from those who worked flexible hours for four years or more, a descriptive analysis by gender was carried out with the same variables as in table 1. Only men were more likely to work in the high service sector when working in a flexible arrangement for at least four years (see Appendix 1).

The effect of work hour flexibility on respondents: robustness checks and subsample analyses

In subsequent analyses, **age**, **age squared**, **number of children**, change in **actual working hours** and a change in **status** were controlled for. The results did not change (Appendix A2-A5). Another growth curve analysis was run subtracting T-2 from each current observation (see Appendix). The model allowed for comparing those who always worked flexible hours with those who never entered work hour flexibility to those who eventually did. It may be impossible in some roles (e.g. retail or factory work) to adopt work hour flexibility.

Some of these occupations (especially retail) may also have very constrained wage curves (and few pay increases), which could artificially increase the difference between the non-flexible and flexible workers. The model allowed for including time-constant variables such as industry. Patterns were similar.

Appendix figures 5-8 show that comparing those who eventually exit flexible hours to those who consistently work flexible hours, the wage gap increased over time. A comparison between the former and those who never worked flexible hours shows that the gap became smaller for men and fathers, but was not significantly different for women and mothers.

Appendix A6 tested how the wage developed for non-high service and high service employees because of the high prevalence of flexible working hours among the latter. Women in the high service sector initially lost more wage but after two years experienced a 45% wage increase from their work hour flexibility status. For men, only those in non-high service sector occupations benefitted significantly from work hour flexibility. Appendix (A7) tested for the effect of work hour flexibility if men and women changed from part-time to full-time employment or vice versa, at the same time as entering work hour flexibility, or sometime thereafter. Only 12 women increased their hours to full-time employment when entering work hour flexibility. For the subsample of women who moved from part-time to full-time employment upon entering work hour flexibility, there was a strong wage growth, which started after two years, though, possibly because of the sample size, it was not significant. For those who did not change from full-time to part-time employment or vice versa, the patterns remained about the same.

The camsis scale may not capture all moves within the employer. A control for whether flexible workers had changed jobs at the same employer or had been hired by the employer was consequently entered. This measure was dropped when included with the camsis scale, suggesting that the change on the scale accounted for the variation due to job changes (appendix A8). The effects remained significant and of similar size.

The effect of work hour flexibility on partners

To what extent did the partner benefit from newly won couple-level flexibility? As table 4 shows, women profited from their partners' new flexibility. The effect was particularly pronounced for mothers: they earned 14.2% more (exp. 0.133) four years after their partner entered work hour flexibility. For male partners, the effect was significant only after four years.

[Table 4]

[Figure 2]

Figure 2 summarizes the predicted changes in hourly wage of the partners (the log coefficients have again been exponentiated). Appendices A9/A10 reran the models without self-employed respondents. Appendix A11 tested for the robustness of the findings on mothers by adding further controls to the mother's model (age, number of children, actual hours worked, status). The results did not change.

Limitations

The findings applied to the first years of working flexibly. Moreover, this study excludes the possibility that people moved in and out of flexible work between the biannual surveys. More waves would have allowed one to detect more changes. The model's capacity to capture selection is restricted by its inability to take into account time-varying confounding by unobservables (Robins et al., 2000). The model cannot cancel out selection into work hour flexibility based on time-varying characteristics. If a person selected into flexible work because a certain future outcome was expected, this could bias the estimates (Sampson et al., 2008: 847). The fixed effects results were only generalizable to people who entered work hour flexibility.

Combined with very low childcare hour availability, flexible hours may not reduce stress within a couple, as partners would have to fully de-synchronize their time at home. However, for childcare with limited fringe hour opening hours and in emergency situations, flexible hours may reduce stress.

Discussion & Conclusion

Scholars and the German government have proposed flexible working hours as one means to overcome work-family conflict. Little is known, however, about whether it actually helps couples in their careers. This article addresses this question in two ways: first, it analyses whether employees' wages increase upon entering flexible working hours. Second, it examines, for the first time, whether positive cross-partner wage effects exist for those in a relationship with a flexible partner. Interestingly, none of the studies to date tests how partners of flexible workers profit from the newly won couple-level flexibility. This is a curious omission as women and mothers in particular may benefit from being able to delegate time-inflexible tasks to their flexible spouses. This in turn may allow them to show higher levels of commitment at work resulting in higher wages. In order to understand how those facing greatest prejudice (e.g. women working part-time) and the most time-squeezed couples (i.e. parents) are affected, they are considered separately.

Results show that unlike part-time employment, it is predominantly men who make use of flexible working hours, similar to Weeden's US findings. This may be down to the differential availability of work hour flexibility in male and female occupations. Flexible hours may alternatively be confined to the top of the career ladder, which women are less likely to reach. Consistent with the assumption that work hour flexibility is offered in high work hour cultures to retain employees, high service workers and full-time workers make more use of schedule flexibility than expected. Parents are not significantly more likely to use

the measure, suggesting that it is not always offered to those in need. Alternatively, they may choose to outsource time-inflexible tasks.

With regards to the effect on the flexible employee, both productivity and commitment signaling theorists seem to be correct: West German men and women profit from work hour flexibility, perhaps suggesting that their productivity is raised either by a reduction in work-life compatibility stress or by the incentive of harder work through flexibility being awarded as a ‘gift’. Commitment theorists are possibly right, too: indeed, women in part-time employment do not profit from taking up work hour flexibility, while women who move from part-time to full-time employment upon entering work hour flexibility experience strong wage growth after two years (though possibly because of sample size not significant). Women in the high service sector, however, benefit from work hour flexibility – possibly because that sector values results more than working at core times. Gender discrimination also seems to play a role: the positive wage effect sets in quite late for women, suggesting that women must first prove their commitment. Fathers, unlike mothers, seem to benefit from working flexible hours despite parental obligations. The employer may assume that the father is committed even when working flexible hours because he may presume that the family depends on a man’s income. The lack of such a positive effect for mothers corresponds with Glass’ and qualitative findings (Smithson et al., 2004). Alternatively, there may be two types of work hour flexibility: one that is sought-after (e.g. by mothers) and one that is part of the job (e.g. in the high service sector) and which is therefore unlikely to be accompanied by a reduction in wages. The additional lack of full childcare coverage may also hinder some mothers from reaping long-term benefits.

The positive cross-partner effect underscores that employers’ measures can benefit partners, too: West German women and men profit from their partner’s increased flexibility. The high effect for women may be attributable to their traditional role as secondary earners. Mothers in particular experience wage gains of up to 14.2%, possibly because of decreased

work-life stress, their ability to work at core hours, or their partner's ability to afford more outsourcing. A lack of institutional support, e.g. when childcare is not available at fringe hours of the working day may make West Germans turn to their employers for solutions to counter work-life conflict. It allows for scheduling around family demands, enabling them to work more and possibly more productively. This may result in higher wage returns and may also allow them to enter more demanding positions.

The wage growth that West German women experience once their partners enter flexible work arrangements suggests that flexible working hours may be a man's alternative to part-time work in order to support his spouse's career. This seems to apply to parents in particular. This could be deemed a "win-win situation", as this measure allows men to aid their partners' careers while the flexible man still benefits from wage growth. This may also be the reason why 57.51% of West Germans working flexible hours were male in 2005.

Overall, the findings demonstrate that not only state-level but also employer-level support can help in fostering couples' careers. The cross-partner effects underscore how important a cross-partner effect analysis of employers' measures is (rather than just focusing on the individual flexible worker). On a societal level, work hour flexibility has the potential to decrease gender inequalities in wages and labour market participation – most importantly for women by increasing household-level flexibility.

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Notes

¹ The definition of high service workers was derived from the Erikson and Goldthorpe Class Category. It included mostly professionals, large enterprise employers and higher managers (with more than 10 subordinates). For further details refer to Ganzeboom H.B.G., Treiman D.J. (1996), in particular page 214, Ganzeboom H.B.G., Treiman D.J. (2003) and SOEP Documentation (SOEP 2011).

² The data (DOI: 10.5684/soep.v28, published 2012) used in this publication were made available to me by the German Socio-Economic Panel Study (SOEP) at the German Institute for Economic Research (DIW), Berlin.

³ Each subsample's response rate was weighted by the number of individuals in the respective subsample.

⁴ To see if autonomy and number of working hours were related differently to the two flexibility categories, both were regressed on these two variables. There was no difference in working hours and autonomy only differed slightly between the two groups (on a 1-5 scale, the autonomy for those with no formal working time arrangement was .09 points higher). Both types of flexibility allow the employee to schedule work demands flexibly around family demands. They were consequently analysed together to produce a larger sample size.

⁵ The analysis assumed that, within the last couple of years, this was the first time (in a long while) that they have worked flexible hours.

⁶ A person with a higher tenure may be more likely to be offered flexible employment. However, tenure was highly correlated with full-time work experience.

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Author Biography

Dr Laura Langner is an ESRC Future Research Leader at the Department of Sociology at the University of Oxford and a member of Nuffield College. Her ESRC project focuses on couples' careers across the life course. She is further interested in longitudinal methods which facilitate the analysis of couples' careers and other dyadic life course outcomes.

Table 1: Cross-section observed vs expected flexibility West Germany

	Observed frequency (row %)	
	Not working flexibly	Working flexibly
<i>Gender</i>		
Male	62.42	<u>37.58</u>
Female	68.33	31.67
Expected frequency (row %)	65.18	34.82
<i>Full-time/part-time status</i>		
Full-time	64.60	<u>35.40</u>
Part-time	73.52	26.48
Expected frequency (row %)	66.48	33.52
<i>High service class vs other occupations</i>		
High service class occupations	30.50	<u>69.50</u>
Other occupations	69.80	30.20
Expected frequency (row %)	65.06	34.94
<i>Job change at/to employer</i>		
Yes	43.32	<u>56.68</u>
No	65.54	34.36
Expected frequency (row %)	65.19	34.81
<i>Parents of 0-7 year old</i>		
Yes	63.44	<u>36.56</u>
No	65.56	34.44
Expected frequency (row %)	65.18	34.82

Source: SOEP v28 2005; author's own calculations; underlined and bold=higher than expected

Note: ages 25-60; excludes self-employed; weighted with cross-sectional weight provided by SOEP (w11105); unweighted results were qualitatively similar

Table 2: Fixed effects analysis, dependent variable: Respondent's log hourly wage – stepwise

	(1) Women	(2) Without Employment Changers	(3) Without Public Service	(4) Men	(5) Without Employment Changers	(6) Without Public Service
Time spent working flexibly (Ref.: Not yet)						
<i>Just entered</i>	0.020 (0.015)	-0.013 (0.015)	-0.019 (0.019)	0.063*** (0.012)	0.061*** (0.009)	0.062*** (0.013)
<i>2 years</i>	0.037+ (0.022)	0.004 (0.021)	0.002 (0.017)	0.077*** (0.012)	0.072*** (0.013)	0.067*** (0.018)
<i>4 years</i>	0.085** (0.030)	0.068+ (0.038)	0.123* (0.054)	0.077*** (0.021)	0.072*** (0.019)	0.071* (0.030)
Survey year (Ref.: 2003)						
<i>2005</i>	0.008 (0.027)	-0.012 (0.021)	-0.037 (0.035)	0.042 (0.036)	-0.004 (0.046)	0.030 (0.055)
<i>2007</i>	-0.018 (0.053)	-0.055 (0.041)	-0.099 (0.070)	0.076 (0.073)	-0.017 (0.091)	0.068 (0.109)
<i>2009</i>	-0.013 (0.075)	-0.069 (0.059)	-0.136 (0.103)	0.143 (0.108)	-0.001 (0.136)	0.115 (0.165)
<i>2011</i>	0.012 (0.100)	-0.075 (0.081)	-0.155 (0.137)	0.220 (0.145)	0.027 (0.181)	0.189 (0.221)
Part-time work experience (yrs)	0.003 (0.012)	0.012 (0.010)	0.022 (0.018)	-0.009 (0.012)	-0.014 (0.013)	-0.003 (0.014)
Full-time work experience (yrs)	0.022+ (0.012)	0.032** (0.010)	0.037* (0.018)	-0.013 (0.017)	0.011 (0.022)	-0.010 (0.027)
Part-time work exp. (yrs) ²	-0.000 (0.000)	-0.000 (0.000)	-0.000 (0.000)	-0.001 (0.001)	-0.000 (0.001)	-0.001 (0.001)
Full-time work exp. (yrs) ²	-0.001*** (0.000)	-0.001*** (0.000)	-0.000*** (0.000)	-0.000*** (0.000)	-0.000*** (0.000)	-0.000*** (0.000)
Constant	2.448*** (0.163)	2.311*** (0.136)	2.098*** (0.229)	3.164*** (0.280)	2.780*** (0.366)	3.104*** (0.440)
R-squared	0.015	0.013	0.013	0.035	0.032	0.034
Person-years	8982	8369	5287	8884	8289	6224
Individuals	4287	4262	2901	3944	3917	3054
Transitions	425	338	201	529	458	321
exp. degrees of freedom	11	11	11	11	11	11

Source: SOEP v28 years 2003, 2005, 2007, 2009 & 2011

Note: bootstrapped standard errors, employees aged 25-60, excludes self-employed

+ p<0.10, * p<0.05, ** p<0.01, *** p<0.001

Table 3: Fixed effects analysis, dependent variable: Respondent's log hourly wage – subgroup comparison

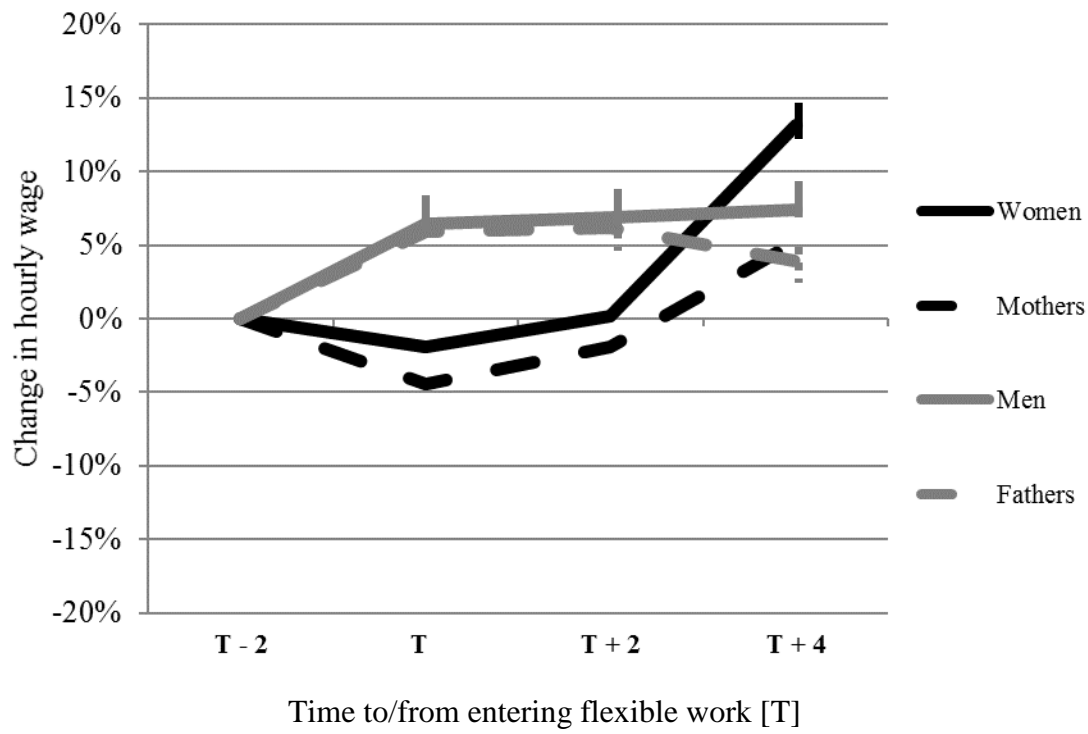
	(1) Women: all	(2) Women: >=30hrs	(3) Women: <30hrs	(4) Men: all	(5) Mothers: all	(6) Fathers: all
Time spent working flexibly (Ref.: Not yet)						
<i>Just entered</i>	-0.019 (0.018)	0.022 (0.020)	-0.084** (0.032)	0.062*** (0.013)	-0.043 (0.038)	0.057*** (0.017)
<i>2 years</i>	0.002 (0.022)	0.057* (0.024)	-0.066+ (0.040)	0.067*** (0.016)	-0.019 (0.046)	0.060* (0.025)
<i>4 years</i>	0.123* (0.061)	0.064* (0.032)	0.136 (0.127)	0.071* (0.029)	0.051 (0.087)	0.038 (0.049)
Survey year (Ref.: 2003)						
<i>2005</i>	-0.037 (0.030)	0.060 (0.060)	-0.080+ (0.042)	0.030 (0.059)	-0.045 (0.048)	
<i>2007</i>	-0.099+ (0.059)	0.098 (0.122)	-0.196* (0.078)	0.068 (0.118)	-0.137 (0.095)	
<i>2009</i>	-0.136 (0.087)	0.166 (0.180)	-0.290** (0.110)	0.115 (0.178)	-0.176 (0.137)	
<i>2011</i>	-0.155 (0.116)	0.239 (0.238)	-0.348* (0.151)	0.189 (0.239)	-0.239 (0.186)	
Part-time work experience (yrs)	0.022 (0.015)	-0.016 (0.033)	0.048** (0.018)	-0.003 (0.014)	0.034 (0.026)	0.017 (0.029)
Full-time work experience (yrs)	0.037* (0.015)	-0.013 (0.030)	0.062+ (0.032)	-0.010 (0.028)	0.052* (0.025)	0.026 (0.037)
Part-time work exp. (yrs) ²	-0.000 (0.000)	-0.001 (0.001)	-0.000 (0.000)	-0.001 (0.001)	-0.000 (0.001)	-0.000 (0.003)
Full-time work exp. (yrs) ²	-0.000*** (0.000)	-0.000*** (0.000)	-0.001 (0.001)	-0.000*** (0.000)	-0.001* (0.000)	-0.000** (0.000)
Constant	2.098*** (0.198)	2.848*** (0.414)	1.747*** (0.252)	3.104*** (0.461)	2.013*** (0.230)	
R-squared	0.013	0.033	0.021	0.034	0.012	0.022
Person-years	5287	2833	2454	6224	2051	2881
Individuals	2901	1598	1451	3054	1248	1480
Transitions	201	119	82	321	65	160
exp. degrees of freedom	11	11	11	11	11	11

Source: SOEP v28 years 2003, 2005, 2007, 2009 & 2011

Note: bootstrapped standard errors, employees aged 25-60, excludes self-employed and those who changed employer

+ p<0.10, * p<0.05, ** p<0.01, *** p<0.001

Figure 1: Respondent's change in hourly wage



Source: SOEP v28 years 2003, 2005, 2007, 2009 & 2011

Note: Results based on table 3; ■ i.e. vertical line indicates a significant difference from T-2 for the respective group at this point.

Table 4: Fixed effects analysis, dependent variable: Inflexible partner's log hourly wage - subgroup comparison including controls

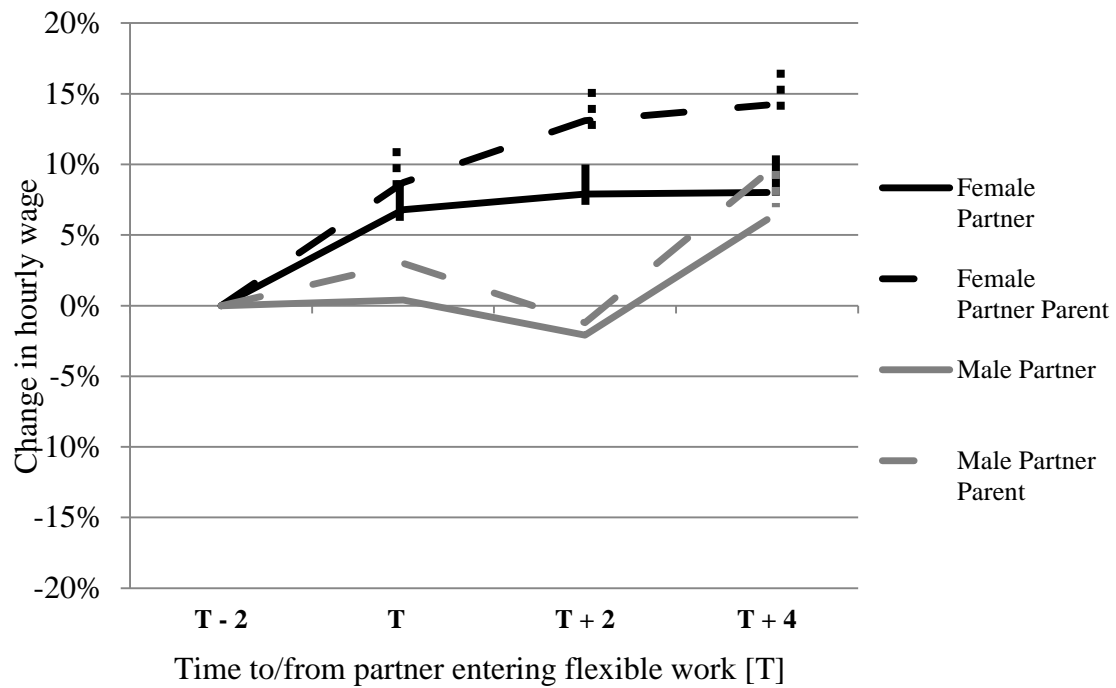
	(1) All Female Partners	(2) Female Partners Parents	(3) All Male Partners	(4) Male Partners Parents
Time flexible partner spent working flexibly (Ref.: Not yet)				
<i>Just entered</i>	0.066*** (0.018)	0.083*** (0.025)	0.004 (0.013)	0.029 (0.021)
<i>2 years</i>	0.076* (0.033)	0.123* (0.058)	-0.021 (0.023)	-0.012 (0.048)
<i>4 years</i>	0.077* (0.039)	0.133+ (0.081)	0.059 (0.036)	0.090** (0.031)
Survey year (Ref.: 2003)				
<i>2005</i>	-0.036 (0.029)	-0.062 (0.051)	-0.043 (0.045)	-0.087 (0.076)
<i>2007</i>	-0.089+ (0.052)	-0.128 (0.091)	-0.099 (0.087)	-0.182 (0.149)
<i>2009</i>	-0.131+ (0.076)	-0.188 (0.139)	-0.125 (0.129)	-0.276 (0.223)
<i>2011</i>	-0.115 (0.106)	-0.197 (0.190)	-0.146 (0.171)	-0.327 (0.296)
Part-time work experience (yrs)	0.011 (0.015)	0.014 (0.026)	0.013 (0.020)	0.032 (0.040)
Full-time work experience (yrs)	0.000 (0.000)	0.001 (0.000)	-0.000 (0.001)	0.001 (0.003)
Part-time work exp. (yrs) ²	0.022 (0.016)	0.032 (0.032)	0.025 (0.022)	0.043 (0.039)
Full-time work exp. (yrs) ²	-0.000 (0.000)	-0.000 (0.001)	-0.000+ (0.000)	-0.000 (0.000)
Constant	2.336*** (0.185)	2.261*** (0.271)	2.546*** (0.400)	2.260*** (0.629)
R-squared	0.019	0.024	0.014	0.021
Person-years	3775	1908	4378	2146
Individuals	2028	1111	2317	1228
Transitions	238	130	197	94
exp. degrees of freedom	11	11	11	11

Source: SOEP v28 years 2003, 2005, 2007, 2009 & 2011

Note: bootstrapped standard errors, employees aged 25-60, excludes employment changers

+ p<0.10, * p<0.05, ** p<0.01, *** p<0.001

Figure 2: Inflexible partner's change in hourly wage



Source: SOEP v28 years 2003, 2005, 2007, 2009 & 2011

Note: Results based on table 4 ■ i.e. vertical line indicates a significant difference from T-2 for the respective group at this point.

APPENDIX

Fixed Effects Details

This multiple time-point (longitudinal) study allows for the observation of the wage changes of the same individual as he/she enters work hour flexibility (within-individual comparison). It thereby allows one to cancel out any variable which does not change over time, even if unobserved (e.g. parental background). To achieve this, a fixed-effects model can be used, where each individual i 's over-time mean ($\bar{\cdot}$) is subtracted from the current observation where t stands for the point in time. This is important because if the error term (α_i below) is correlated with the covariates then the estimates are biased (i.e. they might be too high/low) (Allison, 1994).

$$Y_{it} - \bar{Y}_i = \sum_j \beta_j (X_{jit} - \bar{X}_{ji}) + \gamma(F_{it} - \bar{F}_i) + (\alpha_i - \bar{\alpha}_i) + (\varepsilon_{it} - \bar{\varepsilon}_i)$$

Note that in the equation above the capital Roman letters refer to anything we observe in the data, while the Greek letters refer to unobserved variables (i.e. not measured). X_{jit} stands for the covariate j of the individual i at time t , while \bar{X}_{ji} is the individual's mean across all time points for the covariate j . Similarly, F stands for the work hour flexibility of the individual i at time t , and \bar{F}_i is the mean value across all time points for the individual i . As mentioned before, α_i is the time-constant unobserved variable. ε_{it} is the remaining idiosyncratic error term at time t and $\bar{\varepsilon}_i$ the individual's error averaged across time.

Table A1: Observed vs expected 4 years plus versus less than 4 years flexibility West Germany

	Observed frequency (row %)	
	Less than 4 years	4 years plus years
<hr/>		
<i>High service class vs other occupations Men</i>		
High service class occupations	77.86	<u>22.14</u>
Other occupations	85.38	14.62
Expected frequency (row %)	83.75	16.25

Source: SOEP v28 last observation of each individual; author's own calculations; underlined and bold= significantly higher than expected

Note: ages 25-60; excludes self-employed

Table A2: Fixed effects analysis, dependent variable: Respondent's log hourly wage – all men

	(1) Age	(2) Children	(3) Actual Hours	(4) Status
Time flexible partner spent working flexibly (Ref.: Not yet)				
<i>Just entered</i>	0.058*** (0.013)	0.061*** (0.013)	0.066*** (0.012)	0.061*** (0.012)
<i>2 years</i>	0.065*** (0.017)	0.067*** (0.017)	0.076*** (0.014)	0.065*** (0.016)
<i>4 years</i>	0.072+ (0.037)	0.070* (0.029)	0.080** (0.027)	0.065* (0.031)
Part-time work experience (yrs)	-0.003 (0.013)	-0.003 (0.016)		-0.002 (0.013)
Full-time work experience (yrs)	-0.015 (0.028)	-0.012 (0.024)		-0.011 (0.020)
Part-time work exp. (yrs) ²	-0.001 (0.001)	-0.001 (0.001)		-0.001 (0.001)
Full-time work exp. (yrs) ²	-0.000 (0.000)	-0.000*** (0.000)		-0.000*** (0.000)
Age	0.039 (0.034)			
Age ²	-0.000 (0.000)			
Survey year (Ref.: 2003)				
<i>2005</i>		0.031 (0.049)	-0.023*** (0.006)	0.031 (0.041)
<i>2007</i>		0.072 (0.099)	-0.038*** (0.007)	0.070 (0.082)
<i>2009</i>		0.120 (0.149)	-0.042*** (0.008)	0.118 (0.122)
<i>2011</i>		0.195 (0.195)	-0.021* (0.009)	0.193 (0.164)
Number of Children		0.011+ (0.006)		
Actual Hours			0.002+ (0.001)	
Status				-0.000 (0.001)
Constant	1.968** (0.718)	3.111*** (0.387)	2.731*** (0.043)	3.118*** (0.326)
R-squared	0.027	0.035	0.023	0.033
Person-years	6224	6224	6274	6177
Individuals	3054	3054	3117	3044
Transitions	321	321	321	321
exp. degrees of freedom	9	12	8	12

Source: SOEP v28 years 2003, 2005, 2007, 2009 & 2011

Note: bootstrapped standard errors, employees aged 25-60, excludes self-employed, those who changed employer and public service employees

+ p<0.10, * p<0.05, ** p<0.01, *** p<0.001

Table A3: Fixed effects analysis, dependent variable: Respondent's log hourly wage – all women

	(1) Age	(2) Children	(3) Actual Hours	(4) Status
Time spent working flexibly (Ref.: Not yet)				
<i>Just entered</i>	-0.017 (0.016)	-0.020 (0.020)	-0.013 (0.019)	-0.018 (0.020)
<i>2 years</i>	-0.006 (0.018)	0.001 (0.024)	0.006 (0.020)	-0.001 (0.021)
<i>4 years</i>	0.118* (0.053)	0.123* (0.059)	0.124* (0.052)	0.124* (0.049)
Part-time work experience (yrs)	0.018 (0.014)	0.022 (0.015)		0.022 (0.014)
Full-time work experience (yrs)	0.029* (0.014)	0.037* (0.016)		0.037* (0.015)
Part-time work exp. (yrs) ²	0.000 (0.000)	-0.000 (0.000)		-0.000 (0.000)
Full-time work exp. (yrs) ²	-0.000 (0.000)	-0.000*** (0.000)		-0.000*** (0.000)
Age	0.004 (0.016)			
Age ²	-0.000* (0.000)			
Survey year (Ref.: 2003)				
<i>2005</i>		-0.037 (0.034)	0.006 (0.010)	-0.038 (0.029)
<i>2007</i>		-0.100 (0.067)	-0.012 (0.009)	-0.101+ (0.059)
<i>2009</i>		-0.137 (0.101)	-0.005 (0.011)	-0.140 (0.085)
<i>2011</i>		-0.156 (0.135)	0.020 (0.014)	-0.159 (0.116)
Number of Children		0.006 (0.011)		
Actual Hours			-0.002* (0.001)	
Status				0.001 (0.001)
Constant	2.437*** (0.377)	2.088*** (0.211)	2.540*** (0.038)	2.066*** (0.204)
R-squared	0.012	0.013	0.012	0.013
Person-years	5287	5287	5312	5254
Individuals	2901	2901	2946	2887
Transitions	201	201	201	201
exp. degrees of freedom	9	12	8	12

Source: SOEP v28 years 2003, 2005, 2007, 2009 & 2011

Note: bootstrapped standard errors, employees aged 25-60, excludes self-employed, those who changed employer and public service employees

+ p<0.10, * p<0.05, ** p<0.01, *** p<0.001

Table A4: Fixed effects analysis, dependent variable: Respondent's log hourly wage – fathers

	(1) Age	(2) Children	(3) Actual Hours	(4) Status
Time spent working flexibly (Ref.: Not yet)				
<i>Just entered</i>	0.055** (0.018)	0.055** (0.018)	0.055*** (0.016)	0.054** (0.017)
<i>2 years</i>	0.062* (0.026)	0.058* (0.026)	0.061* (0.024)	0.053* (0.026)
<i>4 years</i>	0.040 (0.043)	0.034 (0.045)	0.034 (0.044)	0.026 (0.047)
Part-time work experience (yrs)	0.016 (0.027)	0.019 (0.024)		0.017 (0.026)
Full-time work experience (yrs)	0.021 (0.028)	0.020 (0.026)		0.026 (0.039)
Part-time work exp. (yrs) ²	0.000 (0.003)	-0.000 (0.003)		-0.000 (0.003)
Full-time work exp. (yrs) ²	-0.000 (0.000)	-0.000+ (0.000)		-0.000** (0.000)
Age	0.004 (0.034)			
Age ²	-0.000 (0.000)			
Survey year (Ref.: 2003)				
<i>2005</i>		-0.032 (0.052)	-0.015+ (0.009)	-0.035 (0.075)
<i>2007</i>		-0.057 (0.103)	-0.022+ (0.012)	-0.065 (0.151)
<i>2009</i>		-0.085 (0.154)	-0.026* (0.013)	-0.096 (0.226)
<i>2011</i>		-0.087 (0.209)	-0.012 (0.014)	-0.099 (0.300)
Number of Children		0.022+ (0.012)		
Actual Hours			0.003+ (0.002)	
Status				0.000 (0.001)
Constant	2.780*** (0.689)	2.573*** (0.384)	2.726*** (0.066)	2.548*** (0.562)
R-squared	0.020	0.026	0.017	0.021
Person-years	2881	2881	2904	2856
Individuals	1480	1480	1503	1477
Transitions	160	160	160	160
exp. degrees of freedom	9	12	8	12

Source: SOEP v28 years 2003, 2005, 2007, 2009 & 2011

Note: bootstrapped standard errors, employees aged 25-60, excludes self-employed, those who changed employer and public service employees

+ p<0.10, * p<0.05, ** p<0.01, *** p<0.001

Table A5: Fixed effects analysis, dependent variable: Respondent's log hourly wage – mothers

	(1) Age	(2) Children	(3) Actual Hours	(4) Status
Time spent working flexibly (Ref.: Not yet)				
<i>Just entered</i>	-0.038 (0.035)	-0.043 (0.039)	-0.043 (0.036)	-0.038 (0.038)
<i>2 years</i>	-0.027 (0.053)	-0.019 (0.048)	-0.026 (0.058)	-0.016 (0.044)
<i>4 years</i>	0.057 (0.076)	0.051 (0.109)	0.059 (0.091)	0.057 (0.076)
Part-time work experience (yrs)	0.025 (0.028)	0.034 (0.028)		0.034 (0.034)
Full-time work experience (yrs)	0.041 (0.031)	0.052 (0.032)		0.053+ (0.029)
Part-time work exp. (yrs) ²	-0.000 (0.001)	-0.000 (0.000)		-0.000 (0.001)
Full-time work exp. (yrs) ²	-0.001+ (0.000)	-0.001* (0.000)		-0.001** (0.000)
Age	0.013 (0.040)			
Age ²	-0.000 (0.000)			
Survey year (Ref.: 2003)				
<i>2005</i>		-0.045 (0.056)	0.016 (0.015)	-0.045 (0.060)
<i>2007</i>		-0.137 (0.112)	-0.011 (0.016)	-0.138 (0.119)
<i>2009</i>		-0.176 (0.163)	0.009 (0.021)	-0.179 (0.179)
<i>2011</i>		-0.239 (0.222)	0.010 (0.031)	-0.242 (0.241)
Number of Children		0.001 (0.020)		
Actual Hours			-0.002 (0.002)	
Status				0.001 (0.001)
Constant	2.269* (0.901)	2.011*** (0.281)	2.442*** (0.062)	1.983*** (0.317)
R-squared	0.011	0.012	0.008	0.012
Person-years	2051	2051	2064	2039
Individuals	1248	1248	1273	1241
Transitions	65	65	65	65
exp. degrees of freedom	9	12	8	12

Source: SOEP v28 years 2003, 2005, 2007, 2009 & 2011

Note: bootstrapped standard errors, employees aged 25-60, excludes self-employed, those who changed employer and public service employees

+ p<0.10, * p<0.05, ** p<0.01, *** p<0.001

Table A6: Fixed effects analysis – dependent variable: Respondent's log hourly wage - high service versus not comparison

	(1) Women: high service	(2) Women: not high service	(3) Men: high service	(4) Men: not high service
Time spent working flexibly (Ref.: Not yet)				
<i>Just entered</i>	-0.182+ (0.106)	-0.025 (0.019)	0.015 (0.039)	0.065*** (0.015)
<i>2 years</i>	0.236+ (0.132)	-0.011 (0.022)	-0.034 (0.049)	0.079*** (0.017)
<i>4 years</i>	0.370* (0.179)	0.116* (0.059)	-0.069 (0.067)	0.062* (0.031)
Part-time work experience (yrs)	0.044 (0.090)	0.022 (0.019)	-0.125 (0.396)	-0.004 (0.016)
Full-time work experience (yrs)	0.109 (0.105)	0.035+ (0.018)	-0.158 (0.341)	-0.011 (0.028)
Part-time work exp. (yrs) ²	0.002 (0.002)	-0.000 (0.000)	0.000 (0.120)	-0.001 (0.002)
Full-time work exp. (yrs) ²	-0.001 (0.001)	-0.000*** (0.000)	-0.001** (0.000)	-0.000*** (0.000)
Survey year (Ref.: 2003)				
<i>2005</i>	-0.093 (0.197)	-0.036 (0.036)	0.370 (0.691)	0.027 (0.058)
<i>2007</i>	-0.268 (0.411)	-0.097 (0.072)	0.767 (1.377)	0.063 (0.115)
<i>2009</i>	-0.486 (0.586)	-0.135 (0.111)	1.145 (2.060)	0.109 (0.172)
<i>2011</i>	-0.570 (0.784)	-0.151 (0.145)	1.664 (2.766)	0.171 (0.227)
Constant	1.909+ (1.078)	2.092*** (0.244)	5.681 (4.860)	3.066*** (0.453)
R-squared	0.148	0.013	0.125	0.031
Person-years	223	5054	543	5679
Individuals	169	2779	347	2808
exp. degrees of freedom	10	11	11	11

Source: SOEP v28 years 2003, 2005, 2007, 2009 & 2011

Note: bootstrapped standard errors, employees aged 25-60, excludes self-employed, those who changed employer and public sector employees

+ p<0.10, * p<0.05, ** p<0.01, *** p<0.001

Table A7: Fixed effects analysis – dependent variable: Respondent's log hourly wage - by working hours change

	(1)	(2)	(3)
	Women: same	Women: increase to FT	Men: same
Time spent working flexibly (Ref.: Not yet)			
<i>Just entered</i>	-0.012 (0.021)	-0.010 (0.082)	0.061*** (0.012)
<i>2 years</i>	0.001 (0.022)	0.130 (0.192)	0.066*** (0.014)
<i>4 years</i>	0.103+ (0.056)	0.180 (0.308)	0.071* (0.031)
Part-time work experience (yrs)	0.035* (0.016)	0.698 (2.476)	0.002 (0.015)
Full-time work experience (yrs)	0.045** (0.016)	0.602 (2.468)	-0.018 (0.033)
Part-time work exp. (yrs) ²	-0.000 (0.000)	-0.003 (0.004)	-0.001 (0.002)
Table work exp. (yrs) ²	-0.000*** (0.000)	0.001 (0.003)	-0.000*** (0.000)
Survey year (Ref.: 2003)			
<i>2005</i>	-0.053+ (0.032)	-1.396 (4.893)	0.045 (0.067)
<i>2007</i>	-0.135* (0.067)	-2.664 (9.790)	0.100 (0.132)
<i>2009</i>	-0.195* (0.099)	-4.028 (14.699)	0.160 (0.198)
<i>2011</i>	-0.233+ (0.129)	-5.380 (19.762)	0.251 (0.263)
Constant	1.980*** (0.239)	-7.780 (44.387)	3.284*** (0.554)
R-squared	0.015	0.320	0.035
Person-years	3347	55	4892
Individuals	1253	22	1745
Transitions	166	12	318
exp. degrees of freedom	11	9	11

Source: SOEP v28 years 2003, 2005, 2007, 2009 & 2011

Note: bootstrapped standard errors, employees aged 25-60, excludes self-employed, those who changed employer and public sector employees

+ p<0.10, * p<0.05, ** p<0.01, *** p<0.001

Table A8: Fixed effects analysis, dependent variable: Respondent's log hourly wage – job changes at employer controlled

	(1) Women	(2) Women: job changes controlled	(3) Men	(4) Men: job changes controlled
Time spent working flexibly (Ref.: Not yet)				
<i>Just entered</i>	-0.018 (0.016)	-0.019 (0.019)	0.061*** (0.017)	0.062*** (0.013)
<i>2 years</i>	-0.001 (0.020)	0.002 (0.017)	0.065*** (0.018)	0.068*** (0.017)
<i>4 years</i>	0.124* (0.053)	0.123* (0.056)	0.065* (0.030)	0.072* (0.028)
Part-time work experience (yrs)	0.022 (0.015)	0.022 (0.017)	-0.002 (0.014)	-0.003 (0.015)
Full-time work experience (yrs)	0.037* (0.016)	0.037+ (0.019)	-0.011 (0.025)	-0.011 (0.023)
Part-time work exp. (yrs) ²	-0.000 (0.000)	-0.000 (0.000)	-0.001 (0.002)	-0.001 (0.002)
Full-time work exp. (yrs) ²	-0.000*** (0.000)	-0.000*** (0.000)	-0.000*** (0.000)	-0.000*** (0.000)
Survey year (Ref.: 2003)				
<i>2005</i>	-0.038 (0.033)	-0.037 (0.038)	0.031 (0.053)	0.030 (0.047)
<i>2007</i>	-0.101+ (0.060)	-0.100 (0.073)	0.070 (0.104)	0.070 (0.095)
<i>2009</i>	-0.140 (0.092)	-0.137 (0.113)	0.118 (0.155)	0.117 (0.144)
<i>2011</i>	-0.159 (0.123)	-0.156 (0.148)	0.193 (0.208)	0.192 (0.193)
Camsis scale	0.001 (0.001)		-0.000 (0.001)	
Job change at employer		0.006 (0.040)		-0.011 (0.043)
Constant	2.066*** (0.214)	2.097*** (0.246)	3.118*** (0.412)	3.108*** (0.380)
R-squared	0.013	0.013	0.033	0.034
Person-years	5254	5287	6177	6224
Individuals	2887	2901	3044	3054
exp. degrees of freedom	12	12	12	12

Source: SOEP v28 years 2003, 2005, 2007, 2009 & 2011

Note: bootstrapped standard errors, employees aged 25-60, excludes self-employed, those who changed employer and public sector employees

+ p<0.10, * p<0.05, ** p<0.01, *** p<0.001

Table A9: Fixed effects analysis, dependent variable: Inflexible partner's log hourly wage - with and without self-employed partners

	(1)	(2)	(3)	(4)
	All female partners	Female partners, male not self- employed	All male partners	Male partners, male not self-employed
Time spent working flexibly (Ref.: Not yet)				
<i>Just entered</i>	0.066*** (0.018)	0.066** (0.020)	0.004 (0.014)	0.004 (0.014)
<i>2 years</i>	0.076* (0.035)	0.076+ (0.040)	-0.021 (0.022)	-0.021 (0.021)
<i>4 years</i>	0.077+ (0.041)	0.077+ (0.041)	0.059+ (0.035)	0.059* (0.028)
Survey year (Ref.: 2003)				
<i>2005</i>	-0.036 (0.026)	-0.036 (0.030)	-0.043 (0.050)	-0.043 (0.042)
<i>2007</i>	-0.089+ (0.052)	-0.089+ (0.053)	-0.099 (0.097)	-0.099 (0.084)
<i>2009</i>	-0.131+ (0.078)	-0.131 (0.080)	-0.125 (0.146)	-0.125 (0.127)
<i>2011</i>	-0.115 (0.111)	-0.115 (0.111)	-0.146 (0.195)	-0.146 (0.168)
Part-time work experience (yrs)	0.011 (0.014)	0.011 (0.015)	0.013 (0.024)	0.013 (0.025)
Full-time work experience (yrs)	0.000 (0.000)	0.000 (0.000)	-0.000 (0.001)	-0.000 (0.002)
Part-time work exp. (yrs) ²	0.022 (0.017)	0.022 (0.018)	0.025 (0.025)	0.025 (0.021)
Full-time work exp. (yrs) ²	-0.000 (0.000)	-0.000 (0.000)	-0.000* (0.000)	-0.000* (0.000)
Constant	2.336*** (0.191)	2.338*** (0.201)	2.546*** (0.445)	2.546*** (0.382)
R-squared	0.019	0.019	0.014	0.014
Person-years	3776	3770	4379	4379
Individuals	2029	2024	2318	2318
exp. degrees of freedom	11	11	11	11

Source: SOEP v28 years 2003, 2005, 2007, 2009 & 2011

Note: bootstrapped standard errors, excludes employment changers

+ p<0.10, * p<0.05, ** p<0.01, *** p<0.001

Table A10: Fixed effects analysis, dependent variable: Inflexible partner's log hourly wage - parents with and without self-employed partners

	(1)	(2)	(3)	(4)
	All female partners	Female partners, male not self- employed	All male partners	Male partners, male not self-employed
Time spent working flexibly (Ref.: Not yet)				
<i>Just entered</i>	0.083** (0.031)	0.083*** (0.025)	0.029 (0.022)	0.029+ (0.018)
<i>2 years</i>	0.123* (0.049)	0.123** (0.046)	-0.012 (0.062)	-0.012 (0.046)
<i>4 years</i>	0.133+ (0.070)	0.133* (0.057)	0.090* (0.044)	0.090** (0.035)
Survey year (Ref.: 2003)				
<i>2005</i>	-0.062 (0.038)	-0.062 (0.052)	-0.087 (0.074)	-0.087 (0.070)
<i>2007</i>	-0.128+ (0.075)	-0.128 (0.099)	-0.182 (0.151)	-0.182 (0.139)
<i>2009</i>	-0.188+ (0.114)	-0.188 (0.139)	-0.276 (0.227)	-0.276 (0.209)
<i>2011</i>	-0.197 (0.154)	-0.197 (0.200)	-0.327 (0.303)	-0.327 (0.276)
Part-time work experience (yrs)	0.014 (0.022)	0.014 (0.029)	0.032 (0.039)	0.032 (0.036)
Full-time work experience (yrs)	0.001 (0.000)	0.001 (0.000)	0.001 (0.003)	0.001 (0.004)
Part-time work exp. (yrs) ²	0.032 (0.027)	0.032 (0.031)	0.043 (0.042)	0.043 (0.035)
Full-time work exp. (yrs) ²	-0.000 (0.000)	-0.000 (0.000)	-0.000 (0.000)	-0.000 (0.000)
Constant	2.261*** (0.224)	2.262*** (0.272)	2.260*** (0.674)	2.260*** (0.575)
R-squared	0.024	0.024	0.021	0.021
Person-years	1908	1906	2146	2146
Individuals	1111	1109	1228	1228
exp. degrees of freedom	11	11	11	11

Source: SOEP v28 years 2003, 2005, 2007, 2009 & 2011

Note: bootstrapped standard errors, excludes employment changers

+ p<0.10, * p<0.05, ** p<0.01, *** p<0.001

Table A11: Fixed effects analysis, dependent variable: Inflexible partner's log hourly wage – mothers

	(1) Age	(2) Number of Children	(3) Actual Hours	(4) Status
Time flexible partner spent working flexibly (Ref.: Not yet)				
<i>Just entered</i>	0.083** (0.027)	0.085* (0.034)	0.089** (0.032)	0.086** (0.030)
<i>2 years</i>	0.115* (0.056)	0.123* (0.053)	0.101+ (0.053)	0.139** (0.043)
<i>4 years</i>	0.140+ (0.073)	0.128+ (0.070)	0.126 (0.086)	0.177** (0.055)
Part-time work experience (yrs)	0.007 (0.022)	0.019 (0.025)		-0.012 (0.021)
Full-time work experience (yrs)	0.013 (0.033)	0.038 (0.027)		0.007 (0.026)
Part-time work exp. (yrs) ²	0.001* (0.000)	0.001 (0.001)		0.001* (0.000)
Full-time work exp. (yrs) ²	0.000 (0.001)	-0.000 (0.001)		-0.000 (0.000)
Age	0.048+ (0.029)			
Age ²	-0.001** (0.000)			
Survey year (Ref.: 2003)				
<i>2005</i>		-0.073 (0.048)	-0.031+ (0.019)	-0.013 (0.036)
<i>2007</i>		-0.150+ (0.088)	-0.045* (0.020)	-0.045 (0.070)
<i>2009</i>		-0.223+ (0.126)	-0.058* (0.023)	-0.070 (0.108)
<i>2011</i>		-0.245 (0.173)	-0.020 (0.030)	-0.044 (0.154)
Number of Children		0.034* (0.016)		
Actual Hours			-0.005* (0.002)	
Status				0.001 (0.002)
Constant	1.906** (0.635)	2.132** (0.233)	2.612** (0.059)	2.457** (0.234)
R-squared	0.029	0.028	0.034	0.032
Person-years	1908	1908	1903	1837
Individuals	1111	1111	1116	1078
Transitions	130	130	130	130
exp. degrees of freedom	9	12	8	12

Source: SOEP v28 years 2003, 2005, 2007, 2009 & 2011

Note: bootstrapped standard errors, employees aged 25-60, excludes employment changers

+ p<0.10, * p<0.05, ** p<0.01, *** p<0.001

Comparing those who enter work hour flexibility to those who never enter and to those who always work flexible hours:

A growth-curve analysis which allows one to compare all three groups (those who never enter, those who enter and those who always worked flexible hours) simultaneously was run.

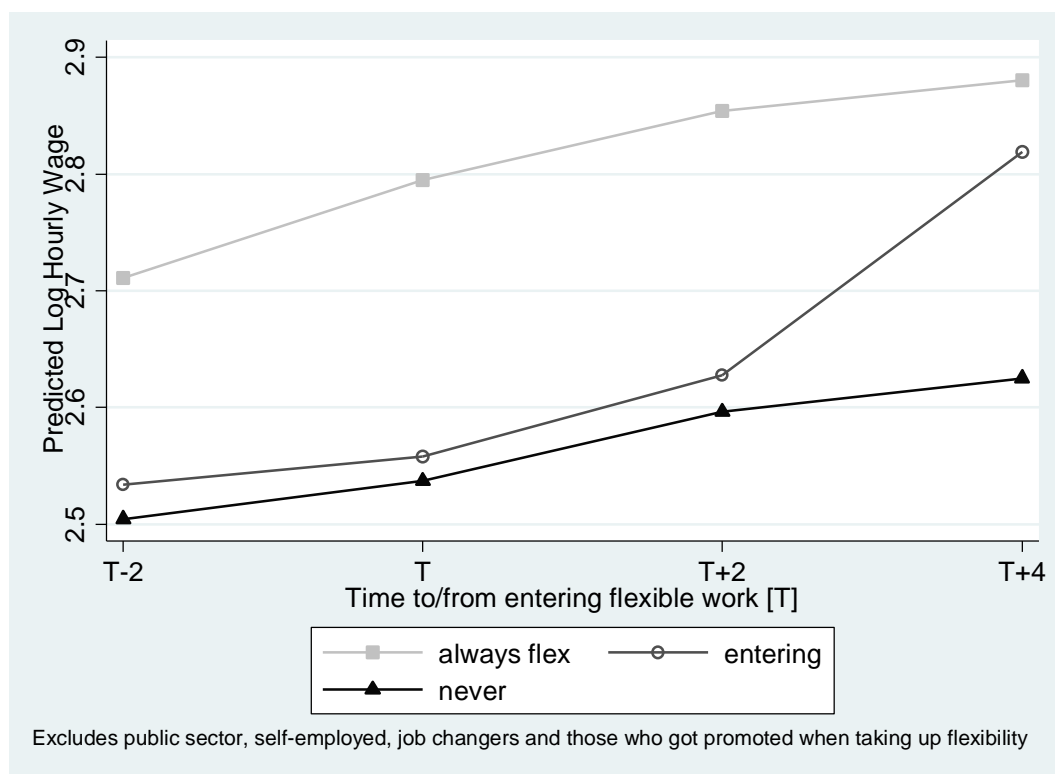
As in table 3, employees aged 25-60 were included, but employment changes, the self-employed and those working in the public sector were excluded. The growth-curve analysis controlled at the beginning of the observation period for industry, status, work experience (part-time and full-time) and its square, migration status and number of children and for changes in the number of children.

When comparing those who entered work hour flexibility to those who were always working flexible hours the following patterns emerge: for women (and the subgroup of mothers) the wages were significantly lower for those who eventually entered a flexible work arrangement than for those who were always working flexibly. This changed, however, when they were working flexibly for four years. At this point their wages had caught up with the wages of those who were always working flexibly – the gap had narrowed and there was no longer a significant difference between the two groups (see Appendix Figures 1 and 2).

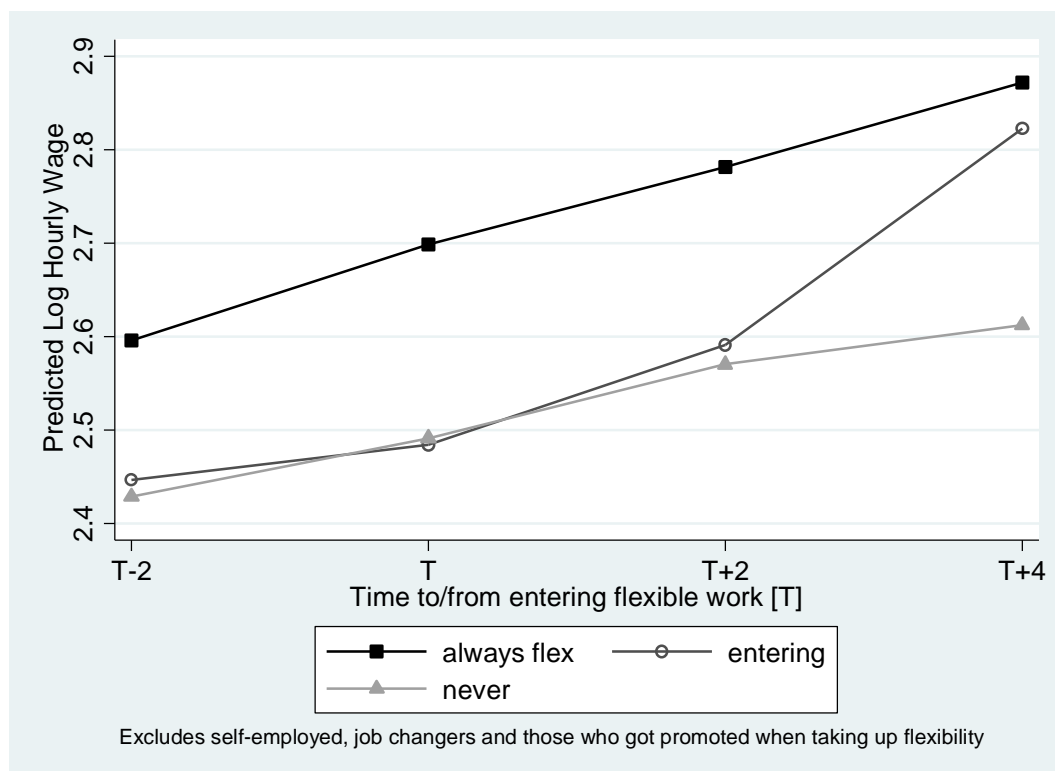
For men (Appendix Figure 3) there was always a significant difference between those who entered and those who had always been working flexibly, although the gap became smaller. For fathers (Appendix Figure 4) the gap became smaller upon entering work hour flexibility, but widened again afterwards.

Comparing those who always worked flexibly to those who were never in a flexible work arrangement, the wages were always higher for the always flexible group.

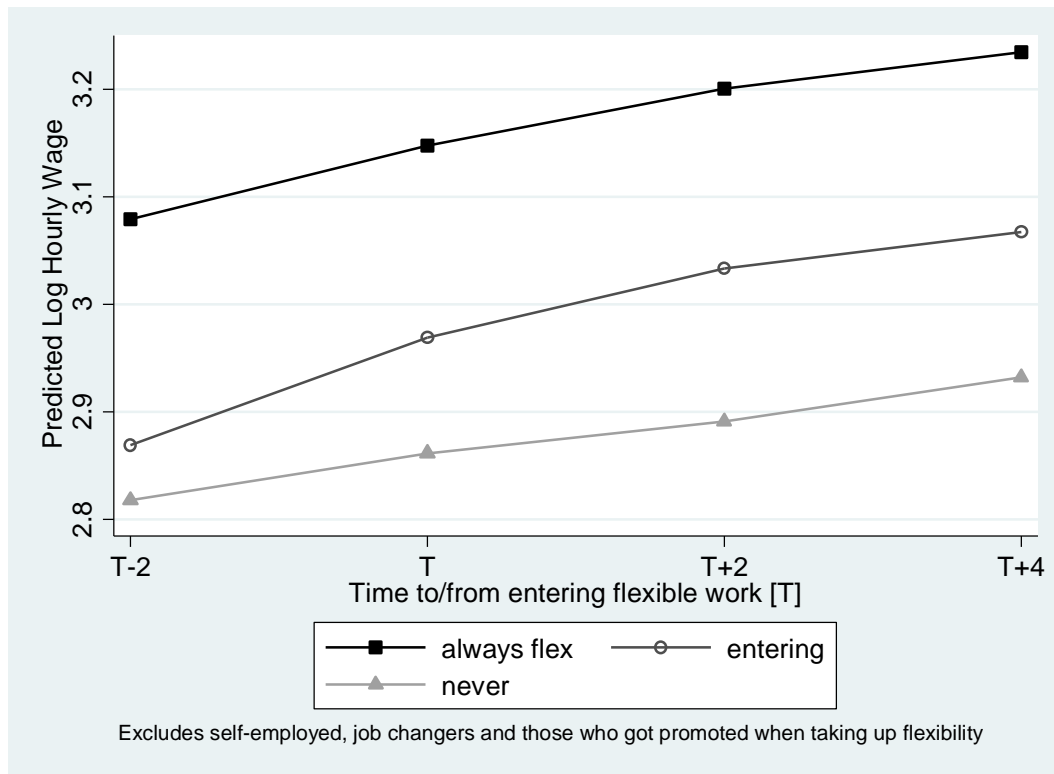
Appendix Figure 1: Women



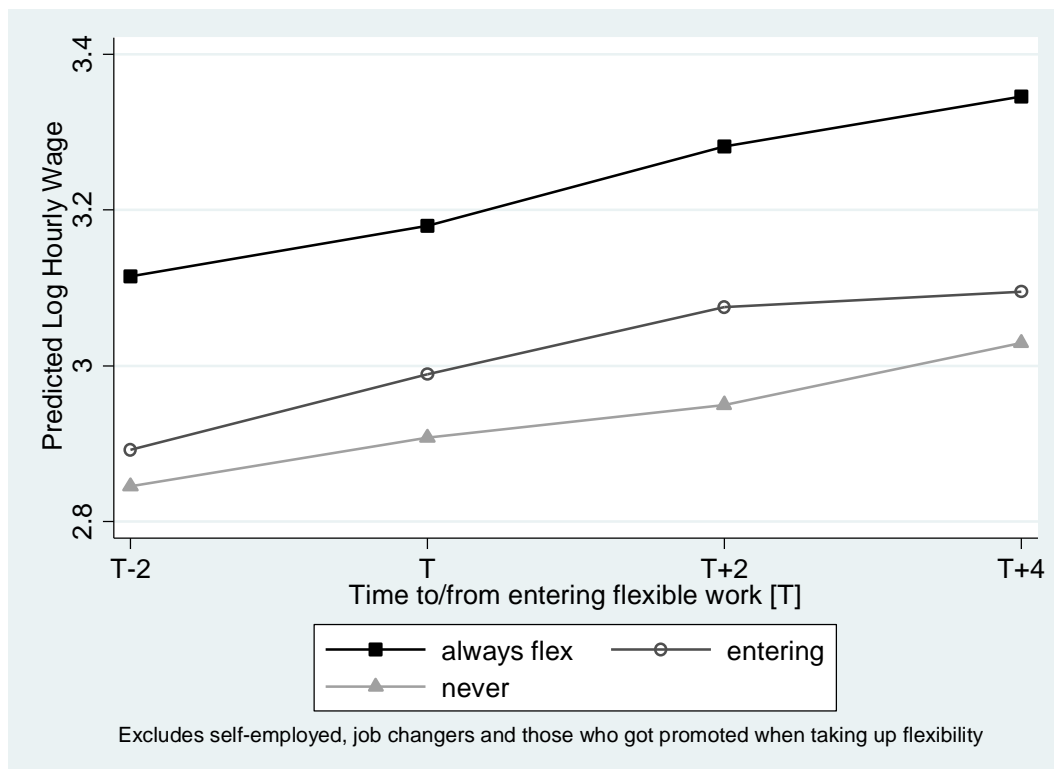
Appendix Figure 2: Mothers



Appendix Figure 3: Men

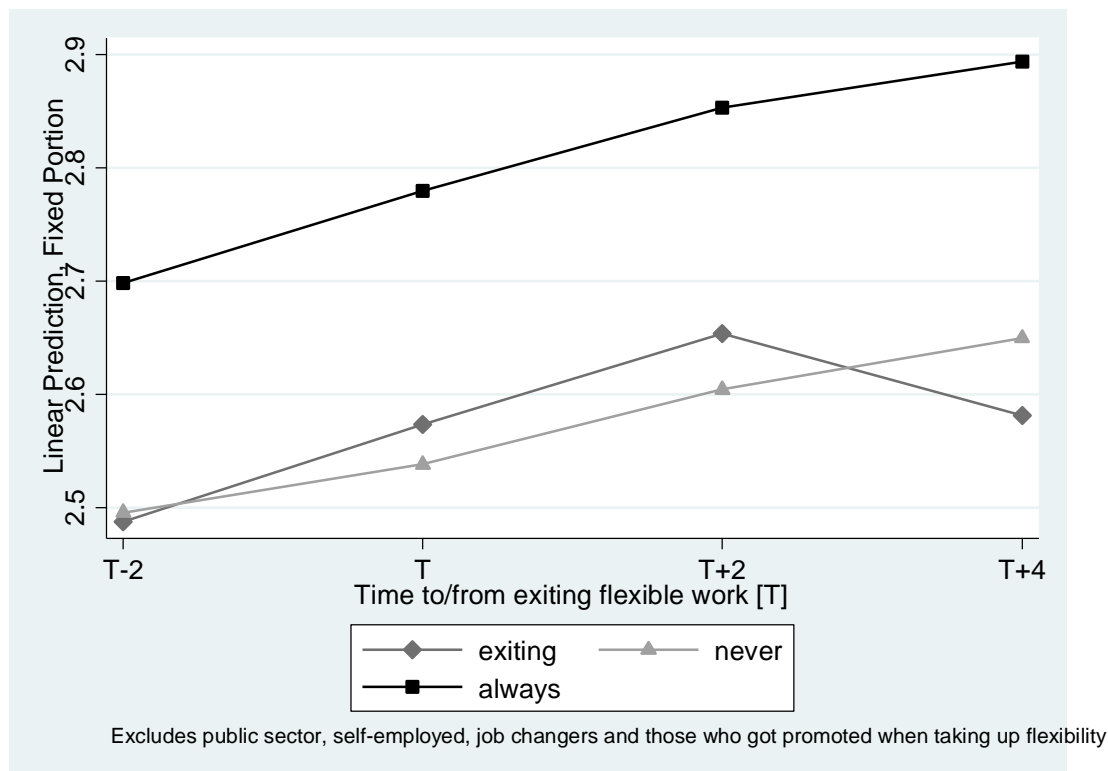


Appendix Figure 4: Fathers



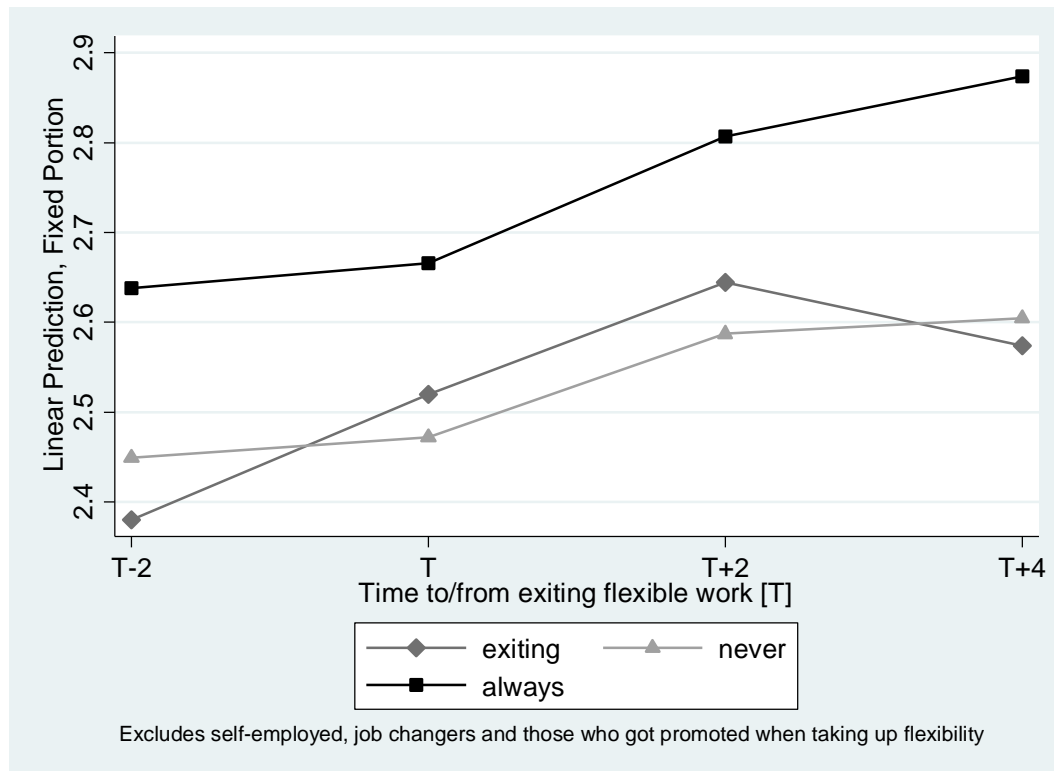
Comparing those who exit work hour flexibility to those who never enter and to those who always work flexible hours:

Appendix Figure 5: Women



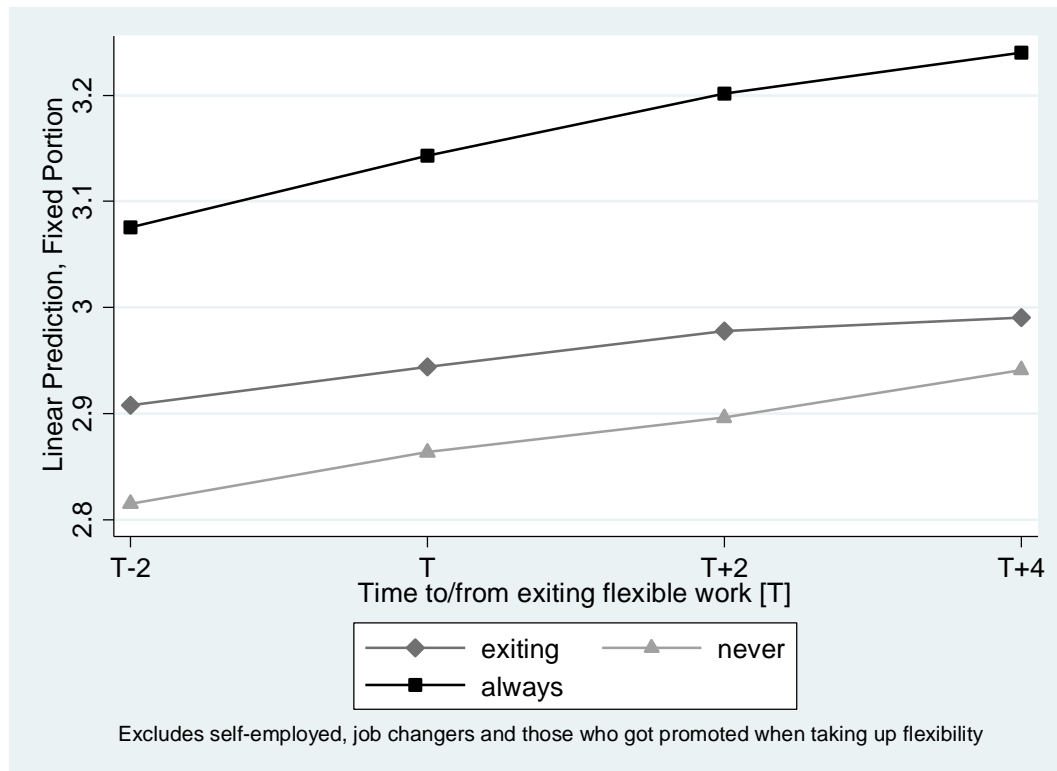
For women, the gap between those who always work flexible hours and those who eventually exit became larger after having exited work hour flexibility for four years. The fact that it works in both directions seems to support my conclusions. It suggests that without working flexible hours women may struggle even more in furthering their careers. It further suggests that women are not rewarded for exiting flexible work hours. The differences between those who never work flexible hours and those who exit were, however, insignificant throughout.

Appendix Figure 6: Mothers

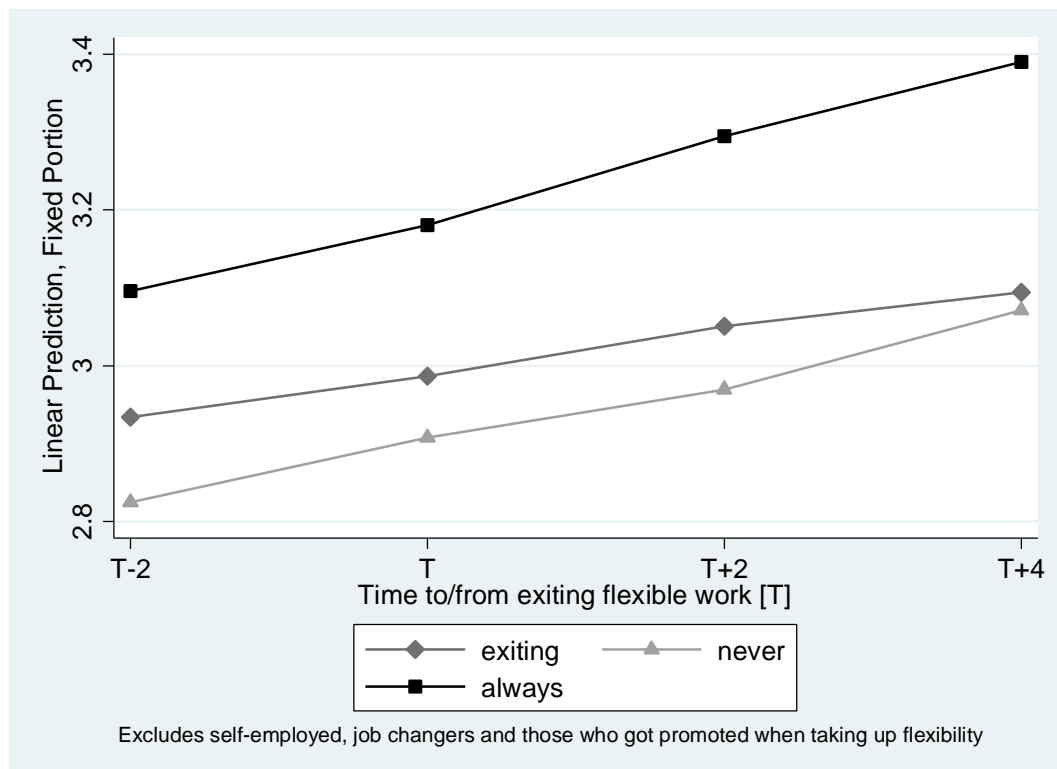


For mothers, the gap between those who always work flexible hours and those who exited showed no clear pattern over time, except for four years after exit when the gap widened. This late gap shows that flexible working hours did something towards helping mothers in their career. The differences between those who never work flexible hours and those who exit were insignificant throughout. As with the main analysis, this may suggest that mothers may be hindered by other factors (e.g. lack of long-term daycare) from reaping the full benefits of flexible working hours. Similarly, mothers who once worked flexible hours may not be rewarded for exiting.

Appendix Figure 7: Men



Appendix Figure 8: Fathers



For men and fathers (Appendix Figures 7 and 8), the gap between those who always worked flexible hours and those who exited flexible hours became larger over time. In contrast, the gap to those who never worked flexible hours became smaller. Again, this suggests that flexible hours may have helped them in their career progression.