



Research-in-Brief

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NEW IWPR STUDY EXAMINES THE ECONOMIC BENEFITS OF ALTERNATIVE EMPLOYMENT PATTERNS FOR MALE AND FEMALE WORKERS

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BACKGROUND

The quality of jobs created in the 1980s --and whether these were "good" jobs or "bad" jobs-- has been the source of a highly charged debate. The quality of jobs is of increasing importance to women as their financial responsibility for themselves and their families has grown.

Women have been seeking employment opportunities at increasing rates. Between 1970 and 1990 the labor force participation rates of mothers increased from about 40 percent to 67 percent, so that by 1990, 22 million mothers were in the labor force. Six million of these women workers were single parents. Because of family responsibilities, and for other reasons, such as acquiring more education, many women may seek alternative, more flexible employment, both in part-time work and self-employment. As a result, the caliber of part-time jobs, self-employment, and other alternative forms of employment available to women workers is a pressing topic for research.

THE IWPR STUDY

A new Institute for Women's Policy Research (IWPR) study examines the employment patterns of men and women workers over the course of a calendar year, including *employment status* (wage and salary jobs, self-employment or mixed); *work schedules* (full-time or part-time, full-year or part-year); the characteristics of the jobs they report; the characteristics of the workers holding each type of job; and the economic well-being that results from these different types of employment patterns.

The study develops a typology of employment patterns which categorizes workers as holding single or multiple jobs; wage or salary jobs or self-employed jobs; full-time or part-time jobs; and year-round or part-year work. To conduct the analysis, IWPR created a special file of workers for calendar year 1987 using data from the 1986 and 1987 Survey of Income and Program Participation (SIPP), collected by the U.S. Bureau of the Census.¹

This Research-in-Brief focuses on how well alternative forms of employment can meet women's increasing needs to support themselves and their families.

EMPLOYMENT PATTERNS OF THE U.S. WORKFORCE

Over the course of the 1987 calendar year, fewer than half of the approximately 116 million U.S. workers represented in the study held a single full-time wage or salary job for an entire year. The remainder worked full-time for less than the full year or for more than one employer, part-time (for single or multiple employers), changed jobs, or were partially or wholly self-employed (see Table 1, columns 1 and 2). A higher percentage of both female and male workers reported a part-time or part-year work status over the course of a calendar year than when reporting their work schedule for a single reference week.

¹*SIPP collected information from a panel of approximately 13,000 households across a 28 to 32 month period. The study's sample consists of men and women who worked at least 200 hours during the 1987 calendar year. Teenagers living at home and workers over age 65 are excluded. The resulting file consists of information for 12,848 men and 11,403 women, representing about 116 million workers.*

Table 1

Measures of Economic Well-Being

| Employment Status | Distribution of U.S. Workforce By Employment Status | | Median Hourly Wages (in 1987 dollars) | | | | Annual Earnings (in 1987 dollars) | | | | Avg. Months of Employer - Provided Health Benefits | |
|---|--|--------|--|-----|--------|---------|--------------------------------------|----------|-------|------|--|--|
| | Women | Men | Percent of Total | | Women | | Men | | Women | | Men | |
| | | | Women | Men | Women | Men | Women | Men | Women | Men | | |
| All Workers | 100.0% | 100.0% | | | \$6.24 | \$9.43 | \$11,112 | \$20,995 | 5.6 | 7.2 | | |
| Wage & Salary | 89.9% | 82.4% | | | \$6.40 | \$9.53 | \$11,578 | \$20,234 | 6.4 | 8.3 | | |
| Single Job Holders | 67.1% | 63.1% | | | \$6.87 | \$10.44 | \$12,836 | \$22,800 | 6.9 | 9.1 | | |
| Full-time Full-Year | 39.8% | 50.8% | | | \$8.08 | \$11.25 | \$17,066 | \$25,571 | 9.6 | 10.2 | | |
| Full-time Part-Year | 6.4% | 6.0% | | | \$5.38 | \$7.18 | \$5,696 | \$8,997 | 3.8 | 5.1 | | |
| Part-time Full-Year | 13.8% | 4.0% | | | \$5.47 | \$6.30 | \$7,260 | \$9,584 | 3.9 | 5.7 | | |
| Part-time Part-Year | 6.9% | 2.3% | | | \$3.91 | \$4.37 | \$2,554 | \$3,000 | 1.2 | 2.2 | | |
| Simultaneous Multiple Job Holders | 8.0% | 6.2% | | | \$5.41 | \$7.05 | \$10,296 | \$17,543 | 5.1 | 7.3 | | |
| Full-time Full-Year | 3.4% | 3.7% | | | \$6.96 | \$8.68 | \$17,027 | \$23,427 | 9.2 | 9.8 | | |
| Full-time Part-Year | 0.4% | 0.5% | | | \$4.23 | \$5.42 | \$8,947 | \$11,070 | 2.8 | 4.3 | | |
| Part-time Full-Year | 2.9% | 1.2% | | | \$4.86 | \$5.72 | \$7,506 | \$9,635 | 2.2 | 4.0 | | |
| Part-time Part-Year | 1.4% | 0.8% | | | \$4.00 | \$4.36 | \$4,032 | \$5,010 | 1.9 | 1.4 | | |
| Sequential Multiple Job Holders | 0.6% | 1.0% | | | \$5.02 | \$6.07 | \$7,570 | \$11,400 | 4.0 | 4.8 | | |
| Full-time Full-Year | 0.1% | 0.4% | | | * | \$6.48 | * | \$14,721 | * | 7.1 | | |
| Full-time Part-Year | 0.1% | 0.3% | | | * | \$7.54 | * | \$13,759 | * | 3.7 | | |
| Part-time Full-Year | 0.2% | 0.1% | | | * | * | * | * | * | * | | |
| Part-time Part-Year | 0.2% | 0.2% | | | * | * | * | * | * | * | | |
| Job Changers | 14.2% | 12.1% | | | \$5.07 | \$6.53 | \$7,444 | \$12,009 | 4.1 | 5.0 | | |
| Full-time Full-Year | 3.7% | 4.5% | | | \$6.62 | \$8.28 | \$14,030 | \$19,831 | 8.0 | 8.0 | | |
| Full-time Part-Year | 3.2% | 3.7% | | | \$5.46 | \$6.47 | \$8,080 | \$10,609 | 4.3 | 4.4 | | |
| Part-time Full-Year | 2.3% | 1.1% | | | \$4.84 | \$5.27 | \$7,265 | \$8,523 | 2.9 | 3.7 | | |
| Part-time Part-Year | 5.0% | 2.8% | | | \$4.03 | \$4.45 | \$3,588 | \$4,465 | 1.6 | 1.5 | | |
| Self-Employment | 10.1% | 17.6% | | | \$4.45 | \$8.80 | \$7,572 | \$21,200 | 2.3 | 4.6 | | |
| With a Single Self Employed Job | 5.2% | 9.4% | | | \$3.66 | \$8.99 | \$4,850 | \$20,800 | 1.0 | 3.2 | | |
| Full-time Full-Year | 1.7% | 6.1% | | | \$3.75 | \$8.92 | \$9,593 | \$24,000 | 1.7 | 3.6 | | |
| Less than Full-time Full-Year | 3.5% | 3.3% | | | \$3.56 | \$9.18 | \$3,122 | \$13,100 | 0.7 | 2.5 | | |
| Mixed Self Employed & Salaried (Self-Employment Primary) | 1.6% | 2.2% | | | \$3.59 | \$7.02 | \$4,728 | \$18,638 | 1.5 | 3.9 | | |
| Full-time Full-Year | 0.4% | 1.3% | | | \$5.12 | \$8.61 | \$14,978 | \$22,211 | 2.3 | 4.7 | | |
| Less than Full-time Full-Year | 1.2% | 0.9% | | | \$3.19 | \$5.34 | \$3,677 | \$9,469 | 1.3 | 2.8 | | |
| Mixed Self Employed & Salaried (Self-Employment Secondary) | 2.7% | 4.4% | | | \$6.33 | \$9.47 | \$12,664 | \$25,136 | 5.4 | 8.0 | | |
| Full-time Full-Year | 1.3% | 3.2% | | | \$7.42 | \$10.36 | \$18,690 | \$29,782 | 8.1 | 9.6 | | |
| Less than Full-time Full-Year | 1.4% | 1.2% | | | \$5.17 | \$6.11 | \$6,351 | \$11,607 | 3.0 | 3.9 | | |
| Two of More Self Employed Jobs | 0.7% | 1.6% | | | \$5.01 | \$8.41 | \$8,878 | \$23,670 | 1.8 | 4.5 | | |
| Full-time Full-Year | 0.3% | 1.1% | | | \$4.41 | \$8.19 | \$13,748 | \$27,045 | 2.8 | 5.0 | | |
| Less than Full-time Full-Year | 0.4% | 0.5% | | | \$5.53 | \$8.68 | \$6,393 | \$14,892 | 1.2 | 3.4 | | |

* Not shown when less than 30 cases in the sample.

Source: IWPR calculations based on the 1986 and 1987 Survey of Income and Program Participation.

Women Compared to Men

- ◆ Working full-time, full-year for only one employer is still the most common work pattern, although only 40 percent of all women workers compared with about half of all male workers followed this pattern.
- ◆ The second most common work pattern for women was working part-time, full-year for a single employer; 14 percent of all women workers were in this category. In contrast, only 4 percent of male workers followed this pattern.
- ◆ Approximately 8 percent of women workers simultaneously held more than one wage or salary job compared to only 6 percent of all male workers.
- ◆ About 6 percent of male workers were self-employed at a full-time, full-year job, but only 2 percent of women workers followed this work pattern.
- ◆ The remaining women workers were divided among a series of less stable employment statuses and work schedules, such as full-time for less than the full-year, part-time for multiple employers, changed jobs, or were partially self-employed, with none including more than 7 percent of all women workers.

Women were less likely than men to work full-time, full-year for only one employer, more likely to work part-time, full year, more likely to hold multiple wage or salary jobs, and less likely to be self-employed.

ECONOMIC WELL-BEING

Which Workers Experienced the Greatest Economic Well-Being?

Using median hourly wages, median annual earnings, and months of employer-provided health benefits as measures of economic well-being, IWPR research indicates that working full-time, full-year for only one employer resulted in the greatest economic well-being (see Table 1, columns 3-6).

- ◆ Workers with full-time, full-year jobs for only one employer had the highest median hourly wages; \$8.08 for women and \$11.25 for men workers.
- ◆ Such workers received the most months of health insurance, 9.6 months for women and 10.2 months for men workers.
- ◆ Their annual earnings (women earned \$17,066, whereas men earned \$25,571) were exceeded only by those who held a full-time, full-year wage and salary job *combined* with secondary self-employment. This latter category of workers earned slightly more overall, but worked more hours and had slightly lower hourly wages and months of health insurance.

Wage or salary workers who were employed by a single employer and worked full-time, year-round had the greatest economic well-being of all workers.

Are Women Sacrificing Income and Health Benefits for Part-Time Work Schedules?

Part-time or part-year wage and salary work provided lower wages and less health insurance coverage than full-time, full-year wage and salary work (see Table 1).

- ◆ Whether they worked for one employer or more than one, the median wages for women working part-time, part-year were about \$4.00 per hour, while those of men were only slightly higher--in all cases less than \$4.50 per hour.
- ◆ This employment provided little health insurance, only 1 to 2 months on average.
- ◆ Part-time, full-year employment offered somewhat higher wages and more health insurance coverage than part-time, part-year employment, but well below the amounts offered by full-time, full-year work.

Women workers in part-time wage and salary work may gain flexibility in work hours, but they suffer considerable loss in terms of the hourly wages and health benefits available compared to full-time, full-year wage or salary work.

Can Women Who Work Part-Time or Part-Year Survive on their Own?

A part-time or part-year woman worker will ordinarily need other sources of support whether from her husband, her parents, or such sources as college loans or scholarships, pensions, social security, or welfare benefits.

◆ Most women who worked part-time, full year for only one employer (as well as most self-employed women who worked part-time or part-year) were married (70 to 80 percent); the majority had husbands who worked full-time, full-year (50 to 60 percent). *This suggests that women with these job patterns were likely able to rely on their husbands's income to supplement their own lower earnings.*

◆ In contrast, the majority of women simultaneously holding multiple jobs or changing jobs during the year were not married and the percentage with full-time employed husbands ranged from only 21 to 37 percent. For the 42 percent of these women who have children, additional financial resources are likely required for their families economic well-being.

◆ Women working full-time for only part of the year, whether employed by a single employer or holding multiple jobs, were the most likely to receive means-tested benefits (such as Aid to Families with dependent children). Almost 20 percent of this group of workers receive these benefits in contrast to an average of 5 percent of all other women workers.

Many woman may work part-time or part-year in order to combine work and family obligations, but shorter work schedules increase the need for other income sources, including employed husbands and means-tested welfare benefits.

What Kinds of Jobs Do Women Need?

This study shows that women (and male) workers experienced the greatest economic well-being in terms of median hourly wages, median annual earnings, and average months of employer-provided health benefits in a single full-time, full-year job. Those women with part-time or part-year jobs were more likely to be dependent on the earnings of employed husbands or on government-provided, means-tested benefits to supplement their earnings. A recent (1992) poll by Greenberg-Lake/Duvall reveals that the majority of women interviewed prefer full-time to part-time jobs (or no jobs) because of the higher wages paid and the greater likelihood of receiving fringe benefits. Those with children, however, indicate that flex-time needs to be a condition of full-time work.

From working women's perspectives, priority should be given to generating full-time jobs with flexible work schedules or to regulating part-time jobs so that wages and benefits are pro-rated.

Note: An additional Research-in-Brief based on this study focuses on the financial rewards of self-employment for women workers.

*The Institute for Women's Policy Research is an independent non-profit institute dedicated to conducting and disseminating research that informs public policy debates affecting women. This fact sheet is based on the IWPR study **Exploring the Characteristics of Self-Employment and Part-Time Work Among Women**, by Roberta M. Spalter-Roth, Heidi I. Hartmann, and Lois B. Shaw for the U.S. Department of Labor, Women's Bureau. The full report is available from IWPR at a cost of \$15.00. This Research-in-Brief was prepared by Nancy Collins in June 1993.*