Entry into and Exit from Multiple Job Holding in the United States

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October 2019

Submitted for the European Population Conference

Padova, Italy   24-27 June 2020

Abstract

Labor market liberalization has led to a rise in the availability of non-standard, non-full-time jobs (OECD, 2017). As a result more workers are able *or* required to combine two or more jobs. Multiple job holding can be a mobility strategy, to gain expertise or skill diversification, or it can be a survival strategy for making ends meet. While multiple job holding is increasingly common, little is known about decision processes regarding entry and exit from multiple job holding (Freese, Dorenbosch, & Schalk, 2017). In this paper we ask: who are multiple job holders? And what predicts entry into and exit out of multiple job holding? Using data from the United States National Longitudinal Survey of Youth 1997, we build descriptive regression models to differentiate single and multiple job holders by their individual demographic, socio-economic and family characteristics. We then take a dynamic approach, exploring how (changing) individual and family characteristics predict entry into and exit from multiple job holding, using random- and fixed-effect models. Results will highlight the motivations and resources associated with multiple job holding, and provide insights into how multiple job holding fits into young- and middle-adult life courses in the 21st century.

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Introduction

Labor market liberalization since the 1980s and 90s has revolutionized how people experience work. An increasing share of individuals are engaged in part-time or continent work, working non-standard or flexible hours (Kalleberg, 2000; OECD, 2017; Tran & Sokas, 2017). These 'new' forms of work increasingly allow *or* require individuals to combine two or more jobs. A worker may choose to combine multiple jobs to broaden their expertise and diversify their skills, to simultaneously pursue multiple career pathways, or as a mobility strategy to progressively change occupations or industries (Panos, Pouliakas, & Zangelidis, 2014). On the other hand, in low-wage sectors or in regions with high costs of living, multiple job holding may be a survival strategy for making ends meet. While it is increasingly common in industrialized and knowledge economies, little is known about decision processes regarding entry and exit from multiple job holding (Freese et al., 2017). In this paper we ask: who are multiple job holders? And what predicts entry into and exit out of multiple job holding?

We situate our study in the United States, a country with a liberal and highly flexible labor market. We use data from the National Longitudinal Survey of Youth (1997), a cohort study following the working and family lives of men and women born between 1980 and 1984 as they enter adulthood in the early 21st century. We conduct descriptive regression analysis to differentiate single and multiple job holders by their individual demographic, socio-economic and family characteristics. We then take a dynamic approach, exploring how individual and family characteristics predict entry into and exit out of multiple job holding using random- and fixed-effect models.

Theoretical Framework

Job Demands-Resources model

Entry into and out of multiple job holding can be conceptualized within the Job Demands-Resources model (Demerouti & Bakker, 2011). Job demands are job characteristics that require sustained physical and psychological effort and therefore have certain physiological and psychological costs. There is evidence that certain demands increase when people combine jobs, including an increased workload, more administration, coordination-, identity-, and loyalty conflicts, and conflicts of interest (Dorenbosch, Sanders, & Beudeker, 2015). As such, we consider multiple job holding a higher-demand state.

Motivation

The choice to enter and remain in this higher demand state will be a function of intrinsic and/or extrinsic motivation. Combining multiple jobs may be a response to extrinsic motivating factors, such as if poor or deteriorating economic circumstances requires taking on a second job out of economic necessity. Employees in the low-wage sector or with low levels of human capital may need to combine jobs in order to ensure a living (combined) wage or to smooth income shocks.

> *Extrinsic Motivation H1: (Entry into)* **Multiple** *job holding is more common among those with low-socioeconomic status, low-incomes and low-levels of education.*

Extrinsic motivation may also come in the form of new demands for income associated with family dynamics. Childbearing and childrearing require additional financial resources.

Partnership dissolution is also costly, when former partners must set up independent households and, if they are parents, care for children on a single worker's salary.

> *Extrinsic Motivation H2: Childbearing and parity are positively associated with (entry into) **multiple** job holding.*

> *Extrinsic Motivation H3: Union dissolution is positively associated with (entry into) **multiple** job holding.*

Extrinsic motivation may also lead someone to stop multiple job holding. Because holding two or more jobs has higher time-costs, time spent with a partner or with children may compete with time spent in market work (Apps & Rees, 2001; Becker & Moen, 1999). So too, the presence of a working spouse or partner may mitigate the need for multiple job holding, since this spouse or partner may also contribute to household income (Becker & Moen, 1999).[2]

> *Extrinsic Motivation H4: Childbearing and parity are positively associated with (entry into) **single** job holding.*

> *Extrinsic Motivation H5: Cohabitation and marriage are positively associated with (entry into) **single** job holding.*

People who are intrinsically motivated to combine jobs may perceive the demands of multiple job holding as challenging and enriching rather than hindering (Bakker & Sanz-Vergel, 2013; Wood & Michaelides, 2016). Intrinsic motivation may be particularly high at the start of a working career and evident among individuals that sought out additional education or training (via selection or through exposure to education and training). This leads us to hypothesize that:

> *Intrinsic Motivation H6: (Entry into) **Multiple** job holding is more common at younger ages (net of income).*

> *Intrinsic Motivation H7: (Entry into) **Multiple** job holding is more common among the highly educated.*

Resources

Particular resources may buffer against the demands of holding multiple jobs. Most studies have focused on job-specific resources, such as features of work that enhance self-development, improve efficacy and efficiency, and reduce physiological or psychological strain (Demerouti & Bakker, 2011). However, personal resources also play a role in mitigating demands associated with multiple job holding (Bakker & Demerouti, 2014). Income may allow for the outsourcing of some household tasks, allowing more time to be devoted to work. Human capital (in the form of higher education and training) may provide soft skills, such as time management and higher self-efficacy, which facilitate successful multiple job holding.

> *Resources H8: Income is positively associated with (entry into) **multiple** job holding.*

> *Resources H9: (Entry into) **Multiple** job holding is more common among the highly educated (as for Intrinsic Motivation H7, above)*

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[2] We will further differentiate employed and unemployed spouses/partners in the full paper.

Family circumstance also serve as a resource. Beyond providing an additional income, a spouse or partner may provide social and emotional support for balancing the demands of two jobs, as well as sharing in household work (Van Daalen, Willemsen, & Sanders, 2006).

> *Resources H10: (Entry into)* **Multiple** *job holding is more common among the cohabiting and married (net of household income).*

Taken together, the Job Demands-Resources model suggests that individuals who have the necessary resources and/or a sufficient level of intrinsic or extrinsic motivation will be more likely to move into or remain in multiple job holding, while those experiencing a resource deficit or insufficient intrinsic and extrinsic motivation would be more likely to exit multiple job holding for single job holding (Bakker & Demerouti, 2014; Xanthopoulou et al., 2007).

Additional factors

Many of these hypothesized associations will operated differently for different sub-populations. In addition to the hypotheses discussed above, we also will give special attention to differences by gender (interactions (cross-sectional and random-effect models); stratified regression (fixed-effect models)). This is particularly important since women's and men's labor market supply may interact with the mechanisms discussed above, particularly regarding family dynamics (Montgomery & Trussell, 1986). These extensions to the theoretical model are forthcoming in the full paper.

Modeling Approach

Data and Sample

Data for these analyses come from the National Longitudinal Survey of Youth (1997 cohort; fNSLY97) covering the period 1997 to 2016. The NLSY97 is a nationally representative longitudinal survey of men and women born between 1980 and 1984, including a cross sectional sample (6,748) and an oversample of Hispanic or Latino and black people (2,236). Between 1997 and 2011, individuals were interviewed annually; after 2011, the survey was conducted biennially. The NLSY97 includes information on employment, relationship and fertility histories, and earnings and income.

Employment histories are provided retrospectively and correspond to each week of the year from January 1999 until the final survey wave. Multiple job holders are identified if they report two or more jobs (for pay) in a given week.[3] Single job holders are identified if they report only one job in a week. Those who report no job in a week are coded as jobless. These weekly employment histories were then transformed into monthly arrays to combine with monthly relationship and fertility histories. All other information reported at the time of the survey was merged onto the monthly records and applied to the months between surveys (on the basis of month and year of survey date).

We restrict our sample to individuals older than age 16 and follow them until the month before the final survey.

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[3] We will also conduct robustness checks comparing specifications differentiating individuals with two versus three or more jobs.

Modeling Approach

To compare the characteristics of single- and multiple-job holders, we conduct descriptive cross-sectional logistic regression, predicting job-holder status in time *t* on the basis of individual and family characteristics in time *t*. The sample is restricted to those with at least one job at time *t*. The dependent variables is equal to 1 if an individual is a multiple job holder and 0 if they are a single job holder. Robust standard errors are estimated, since individuals can contribute multiple months of information. These models will provide information about differences in the composition of the two groups of workers.

We then consider dynamic models, predicting entry into multiple job holding and exit from multiple job holding (entry into single job holding) using random- and fixed-effect models. To model entry into multiple job holding, we use the sample of all single job holders (at t0) and predict their job holding status in the following period (t1): single job holder (0), multiple job holder (1) or jobless (2). To model exit from multiple job holding, we use the sample of all multiple job holders (at t0) and predict their job holding status in the following period (t1): multiple job holder (0), single job holder (1) or jobless (2).

In all three sets of models, key covariates capture age[4] and socio-economic, partnership and parenthood status. Socio-economic status is measured by highest level of education (less than high school, high school (reference), some college or college graduate) and logged income (adjusted for inflation).[5] Union status is specified as: never-partnered; never-married, cohabiting; married; previously married (i.e. divorced, widowed), unpartnered; and previously married, cohabiting. Parenthood status is captured with an indicator of parity and age of youngest co-resident child.[6]

In cross-sectional and random-effect models, we also include a time-varying indicator for enrollment in education and time-fixed covariates capturing respondent's gender and race and ethnicity (non-Hispanic white, non-Hispanic black, Hispanic and other). In addition to a pooled model, we also conduce fixed-effect models stratified by gender, race and ethnicity and highest level of education.

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[4] In initial models age is specified linearly, but we will also consider different specifications.
[5] We will consider different specifications of income, e.g. deciles, adjustment for household size.
[6] We will consider alternative specifications of co-/non-resident children.

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