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Developing Social Security in Switzerland

Part-Time Work Should Pay Off

How to align the career pathways of women and men

Despite progress in the past decades, there are still significant inequalities between women and men in the labour market. As recently as 2014, women in Switzerland earned roughly 18% less than men. Moreover, this pay gap actually grows with age: the difference for those under 30 is about 5%, it is more than 24% for those over 50 years. There are various factors that contribute to this divergence. To address these inequalities one needs to take a career-long perspective, adopting various policies to intervene at different points over the course of an employee's career. Studies undertaken by the BFH Centre for Social Security have provided insights that could be used to promote labour market equality.

In a nutshell

- The salary gap between women and men increases over the entire course of their employment history, beginning with the **choice of profession** – often shaped by the future hopes of starting a family. The option of working part-time later in life plays a more important role in the case of young women rather than young men as the latter more often pursue full time careers. Hence the need for part-time jobs that allow career development for both sexes.
- **Flexible working models** are a prerequisite for a good work-life balance. They are in the interest of employers and the state alike.
- **Paternity leave and care leave** can encourage more equal division of household labour.
- **Career opportunities and part-time work** are compatible in companies that promote teamwork and standardised work processes. The public sector as an employer can be a role model by designing work environments that supports part-time work.

The pay gap is not necessarily due to direct discrimination. Rather, it is the result of a sequence of more subtle factors that occur at different points in the career. Many assume, for instance, that women with families are at a disadvantage when seeking employment. However, a BFH study using correspondence testing has been unable to confirm this assumption (Becker, Fernandes & Weichselbaumer, 2017). Nonetheless, wage inequality exists. Statistics show that the gap opens before women start a family and then becomes wider still long after their children have grown up.

Consequences from the choices of occupation

Entry into the labour market generally begins with the choice of occupation. Young women tend to focus on occupations in administration or the caring professions while men are more likely to choose technical or industrial careers. An important factor in this choice is the prospect of having a family (Leitungsgruppe des NFP 60 Gleichstellung der Geschlechter, 2014, p. 15-22). Young men might take future earnings into greater consideration, focusing on their future role as the primary bread winner while young women make sure their career choice is compatible with family related obligations. They are less concerned by the negative consequences of the standard 'female jobs' - namely lower wages, a lack of promotion prospects and poor social security benefits.

There is already evidence that individuals' beliefs and values are changing as younger women are more likely to choose 'typically male' careers in the hope of achieving social advancement. At the same time, work conditions continue to play an important role with young men wishing to avoid non-traditional choices because of the lack of social and financial recognition associated with traditionally female professions (Leitungsgruppe des NFP 60 Gleichstellung der Geschlechter, 2014, p. 21).

Already at the time of choosing their careers, women have the expectation that they will necessarily find it more difficult to

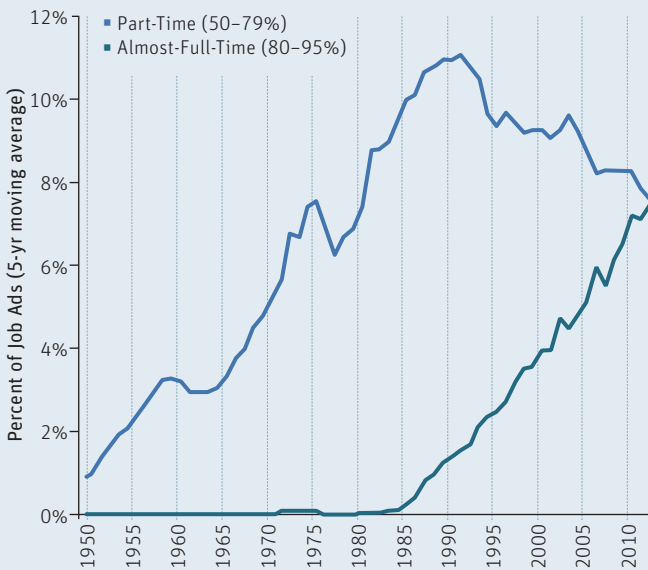
progress later on in working life. One way to equalize the attractiveness of diverse occupations is to promote part-time work across the spectrum. Rewarding part-time jobs that provide career opportunities, that are well-paid and also compatible with familial obligations can help women and men get off to an equal start in working life.

Flexible working models

Achieving a good work-life balance is a pivotal criterion for women and men alike when seeking employment, although for different reasons. A survey looking at the attractiveness of employers in the field of information technology found that flexible work models are important to job applicants (Gurtner & Kels, 2016, p. 34). Younger employees would rather have the option of compensating overtime or taking time off when private needs and wants require them to be absent from the workplace. Older employees with a partner may have care-giving obligations and thus have a particular need for recourse to part-time work and flexible working hours, as well as the options of taking unpaid leave or working from home. The survey further showed that the option of part-time work is of greater importance to women than it is to men – 78% as opposed to 52% – and that the option of taking unpaid leave means more to women than it does to men – 65% as opposed to 46%.

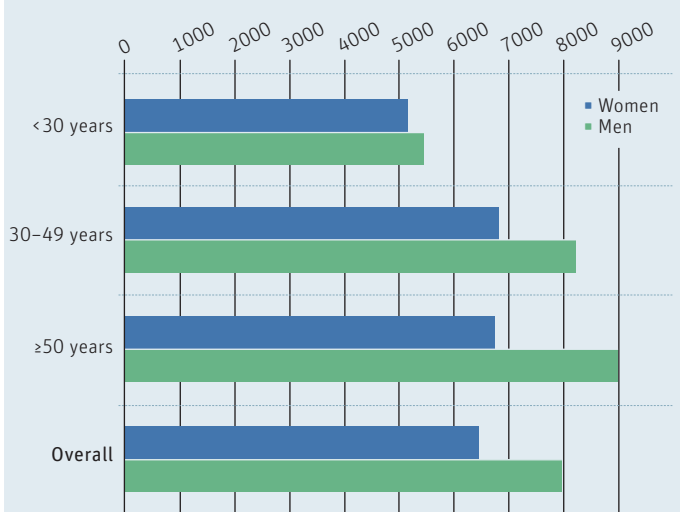
There is evidence of gender discrimination in hiring. A widely acclaimed study of the process of recruitment of musicians to an orchestra clearly showed that gender does indeed play a role. It showed that when a musician performed from behind a curtain, a larger proportion of women were given the job than in the case of the conventional procedure during which the gender of the performing person was apparent. Another study suggests that labor market discrimination follows employers stereotypes concerning the types of jobs women and men should have. Thus, women often experience disadvantage when applying for typical male jobs whereas men are likewise disadvantaged if applying for female dominated jobs. An anonymous application file that, for

Increase in part-time jobs on the labour market



Part-time work options have increased in recent years, as can be seen from the number of corresponding job advertisements. Since 1990, there has been a rapid increase in the number of jobs offering 80% - 95% of normal working hours, while the number of part-time jobs offering 50% - 79% of normal working hours has declined. Overall, however, the part-time job market is growing (calculated by Alex Salvisberg and Debra Hevenstone using the Swiss Job Monitor at the Sociological Institute of Zurich University).

Wage inequality grows over the professional lifetime



The pay gap between women and men grows over the professional lifetime. The difference for those under 30 is about 5%; it is more than 24% for those over 50 years. (Source: Swiss Earnings Structure Survey; Calculation: Büro Bass, 2016)

instance, contains no photo and only an abbreviated first name increases a female applicant's chances of success.

Paternity and care leave

The gender pay gap widens significantly after the birth of the first child. The reason for this is that following the birth, women experience a disproportionate increase in household labour and specialization within the household takes hold. Maternity leave in absence of paternity leave contributes to this. It sets a pattern of distributing paid and unpaid labour between women and men. Paternity leave would nudge families towards greater equality. It would give fathers the opportunity to get more involved in the family from the start and make it easier for mothers to re-integrate into the labour market after leave. Contributions to a form of 'paternity insurance' could be obtained voluntarily and flexibly. This corresponds with the regulations in most European countries.

Later in life, there is again a gender discrepancy in caring for older parents. Hence the need for working models that accommodate the need to take care of dependents at various stages in life. It is for this reason that the Swiss Federal Council has adopted an action plan designed to support and help people caring for relatives. This action plan makes various recommendations, including the introduction of a care leave policy. This measure would be of direct assistance when it comes to aiding those caring for relatives and who wish to remain in the labour market.

A lack of rewarding part-time jobs is one of the reasons men do not take on care responsibilities. However, there are greater numbers working in part-time jobs which involve a higher number of hours (see figure). Part-time jobs are still largely the realm of women; in Switzerland in 2015, 57% of women were employed part-time while only 17% of men were (Bundesamt für Statistik, 2016, S. 10). The number of men working part-time has increased significantly in recent years, although it still remains low. This trend could be a result of the growing availability of challenging part-time jobs offering a relatively high occupation rate.

Career and teamwork

In many places, part-time work equates to missing out on a career. Employers assume for instance, that employees in part-time employment are unable to respond adequately to customer needs and wants because they spend less time at the workplace. A study undertaken by BFH confirms that employees have fewer chances of promotion and less access to continuing education opportunities when they work part-time (Clerc & Artho, 2015, S. 24). A survey of young women working in technical and IT professions and of female and male experts in the ICT sector revealed that the threshold in this regard is a job that represents 80% of normal working hours. While employees working 80% or more of normal working hours held positions of responsibility, for instance in project management, in development or in consulting, significantly fewer comparable posts were given to employees working fewer hours. This severely limits career opportunities for the latter, as

offers of continuing education and promotion are predominantly made available to persons in positions of responsibility. Interesting, challenging jobs and personal development opportunities slip out of reach of women when they work less than 80% of normal working hours. This impacts on their entire employment history and exacerbates the pay gap between women and men.

Part-time high-level careers are possible only if there is no automatic predisposition to rewarding long hours spent at work and penalising part-time work. If work quality is not made the responsibility of specific full-time present individuals but is rather assigned to shared leadership, top sharing and teams, then it becomes possible to take on responsible positions on a part-time basis. The healthcare sector has developed in this direction and adjusted the wages paid to men and women accordingly. In the US healthcare sector, studies have found that more people are in salaried employment rather than freelance work while there had also been an increase in the standardisation of processes. This has enabled clients to be served by more than one employee without detriment to the quality of service.

Providing career options in part-time employment is pivotal in enabling women to get ahead in the labour market. The federal government, the cantons and the public service sector could be role models by developing and offering models for part-time employment with career opportunities.

Conclusions

Women in the labour market do not have equal opportunities as men. This is primarily because women are more concerned with achieving compatibility between work and family, leading them to seek work part-time or temporarily give up work altogether. In return they are burdened with disadvantages that negatively impact on their entire employment history. The accumulation of factors that goes hand in hand with the need for part-time work represents a decisive cause of wage inequality. A disadvantage of this nature is not only unfair, but also the major reason why social insurance provision is inadequate in many cases. The livelihoods of families in the low-wage sector and of single-parent families or female pensioners are consequently at risk (Amacker, Funke & Wenger, 2015). For these families, a range of socio-political support services are needed such as a comprehensive network of day nurseries and day schools, as well as other childcare services in order to allow their caregivers to work more.

Part-time jobs that provide career opportunities, flexible working models, and policies to promote work-life compatibility through-

out a person's lifetime are necessary. As an employee goes from starting a family to caring for infirm parents or partners their requirements will change, but it should still be possible to offer the employee the opportunity to pursue a career. Once these measures are in place greater equivalence between women and men's earnings can be achieved. Private life and professional life will become more compatible and women will be more sustainably integrated in the workplace. ■

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