Regional Diversity of Workers in Job Search and Selection Strategies

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Motivation

- The mechanism of labour market functioning is characterized by the process of job selection
- Informational incompleteness on the labour market leads to various costs for both employer and employee
- The process of the job search is associated with people's understanding of a "good"job and different ways of obtaining it
- Which channels of job search do potential employees prefer and what do they consider a "good"job?

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Hypothesis

Regional differeces in the strategies of job search and selection are explained by the following aspects:

- different social and political institutes on the state level having different behavioral norms

- different cultural and traditional values formed on the national level

- different religious affiliation

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Data

We use

- Caucasus Research Resource Centers
- The Caucasus Barometer Survey (Armenia, Azerbaijan, Georgia) http://www.crrccenters.org/caucasusbarometer/overview/
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Descriptive Statistics I

Country	Armenia	Azerbaijan	Georgia	Total
Obs.	8503 (34.3%)	7299 (29.4%)	9011 (36.3%)	24813 (100.0%)
2010	1922 (32.0%)	2001 (33.3%)	2089 (34.8%)	6012 (24.2%)
2011	2365 (38.6%)	1481 (24.1%)	2287 (37.3%)	6133 (24.7%)
2012	2384 (35.5%)	1829 (27.2%)	2502 (37.3%)	6715 (27.1%)
2013	1832 (30.8%)	1988 (33.4%)	2133 (35.8%)	5953 (24.0%)
Female	4797 (56.5%)	3778 (51.8%)	5535 (61.6%)	14110 (57.0%)
Male	3692 (43.5%)	3513 (48.2%)	3457 (38.5%)	10662 (43.0%)
working	3209 (38.0%)	2937 (40.3%)	2978 (33.2%)	9124 (36.9%)
non-working	5227 (62.0%)	4357 (59.7%)	5998 (66.8%)	15582 (63.1%)
Capital	2607 (30.7%)	2139 (29.3%)	2118 (23.5%)	6864 (27.7%)
Urban	2883 (33.9%)	2759 (37.8%)	3063 (34.0%)	8705 (35.1%)
Rural	3013 (35.4%)	2401 (32.9%)	3830 (42.5%)	9244 (37.2%)
Personal income				
> USD 400	260 (3.2%)	805 (11.4%)	266 (3.1%)	1331 (5.6%)
USD 251–400	662 (8.1%)	1170 (16.5%)	503 (5.9%)	2335 (9.8%)
USD 101–250	1744 (21.4%)	2251 (31.7%)	1310 (15.2%)	5305 (22.3%)
USD 51–100	2184 (26.8%)	578 (8.2%)	2654 (30.9%)	5416 (22.7%)
up to USD 50	638 (7.8%)	291 (4.1%)	1455 (16.9%)	2384 (10.0%)
no income	2661 (32.7%)	2000 (28.2%)	2409 (28.0%)	7070 (29.7%)

Descriptive Statistics II

Country	Armenia	Azerbaijan	Georgia	Total
Obs.	8503 (34.3%)	7299 (29.4%)	9011 (36.3%)	24813 (100%)
Age				
Mean	47.8	42.9	49.3	46.9
Std. Dev.	17.8	15.9	18.3	17.7
Max	93	104	103	103
Min	18	18	18	18
Years of education				
Mean	11.9	11.1	12.6	11.9
Std. Dev.	3.1	2.8	3.3	3.2
Max	29	25	26	29
Min	0	0	0	0

Descriptive Statistics III

Country	Armenia	Azerbaijan	Georgia	Total
Ethnic group				
Armenian	8396 (98.8%)	2 (0.0%)	482 (5.4%)	8880 (35.8%)
Azerbaijanian	2 (0.0%)	6867 (94.2%)	559 (6.2%)	7428 (30.0%)
Georgian	3 (0.0%)	31 (0.4%)	7742 (86.1%)	7776 (31.4%)
Other ethnicity	99 (1.2%)	390 (5.4%)	214 (2.4%)	703 (2.8%)
Religion group				
Armenian Apostolic Church	7637 (90.1%)	0 (0.0%)	364 (4.1%)	8001 (32.4%)
Islam	1 (0.0%)	5762 (79.2%)	848 (9.5%)	6611 (26.8%)
Georgian Orthodox Church	23 (0.3%)	14 (0.2%)	7451 (83.3%)	7488 (30.3%)
Other religion	215 (2.5%)	1439 (19.8%)	202 (2.3%)	1856 (7.5%)
Atheist	600 (7.1%)	58 (0.8%)	77 (0.9%)	735 (3.0%)

Research methodology

Multinomial logistic regression:

$$P(y_i = j) = \frac{\exp(X`_{ij}\beta)}{\sum_{r=1}^{J} \exp(X`_{ir}\beta)}$$

where

$y_i = j$ is a choice of respondent i alternative j;

X_i is independent variables' vector;

β is coefficients' vector.

Which of the following factors do you consider most important for getting a good job in country?
Alternatives:

1 - age	6 - luck
2 - appearance	7 - professional abilities
3 - connections	8 - talent
4 - education	9 - work experience
5 - hard work	10 - doing favors for the "right" people
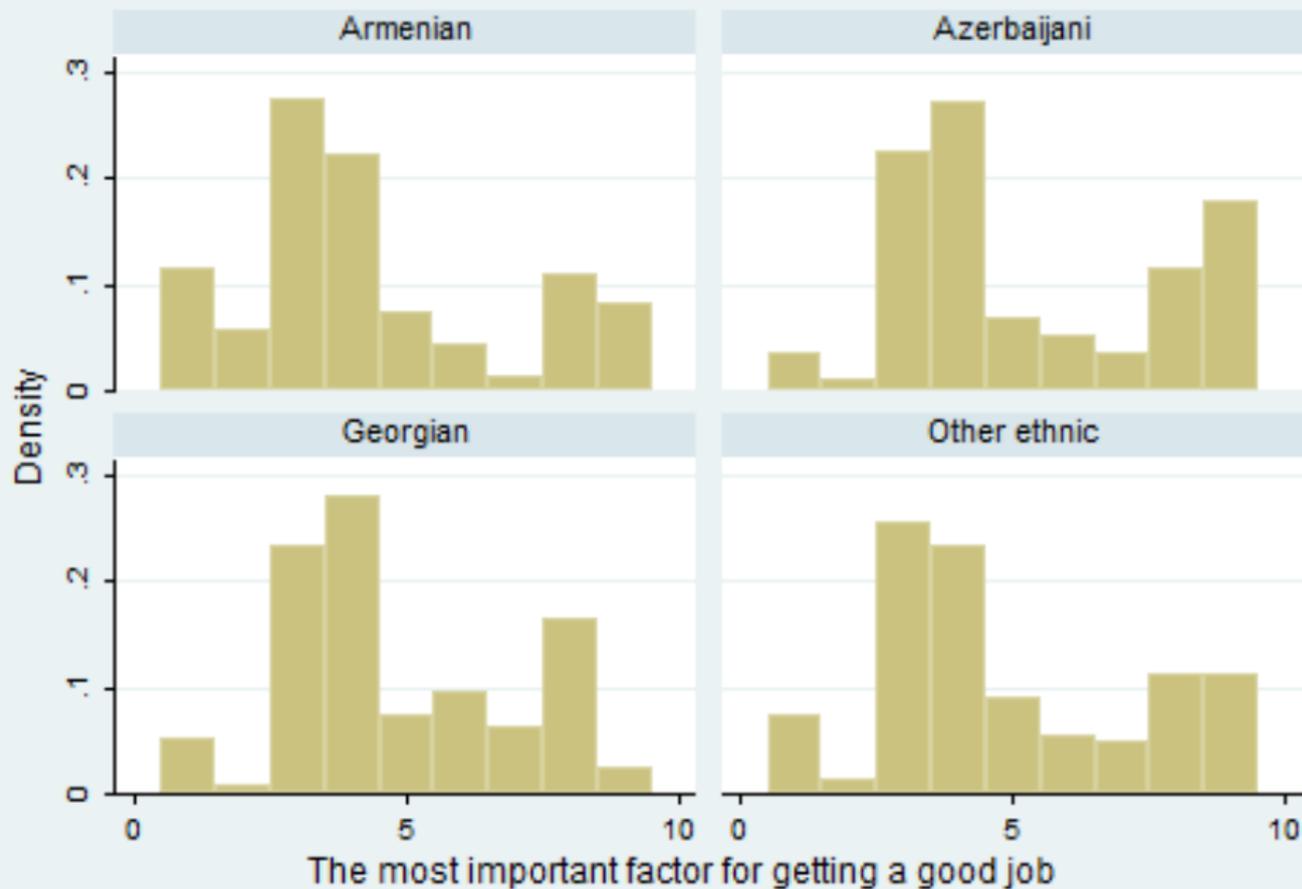
Graphs by Ethnic group (enlarge)
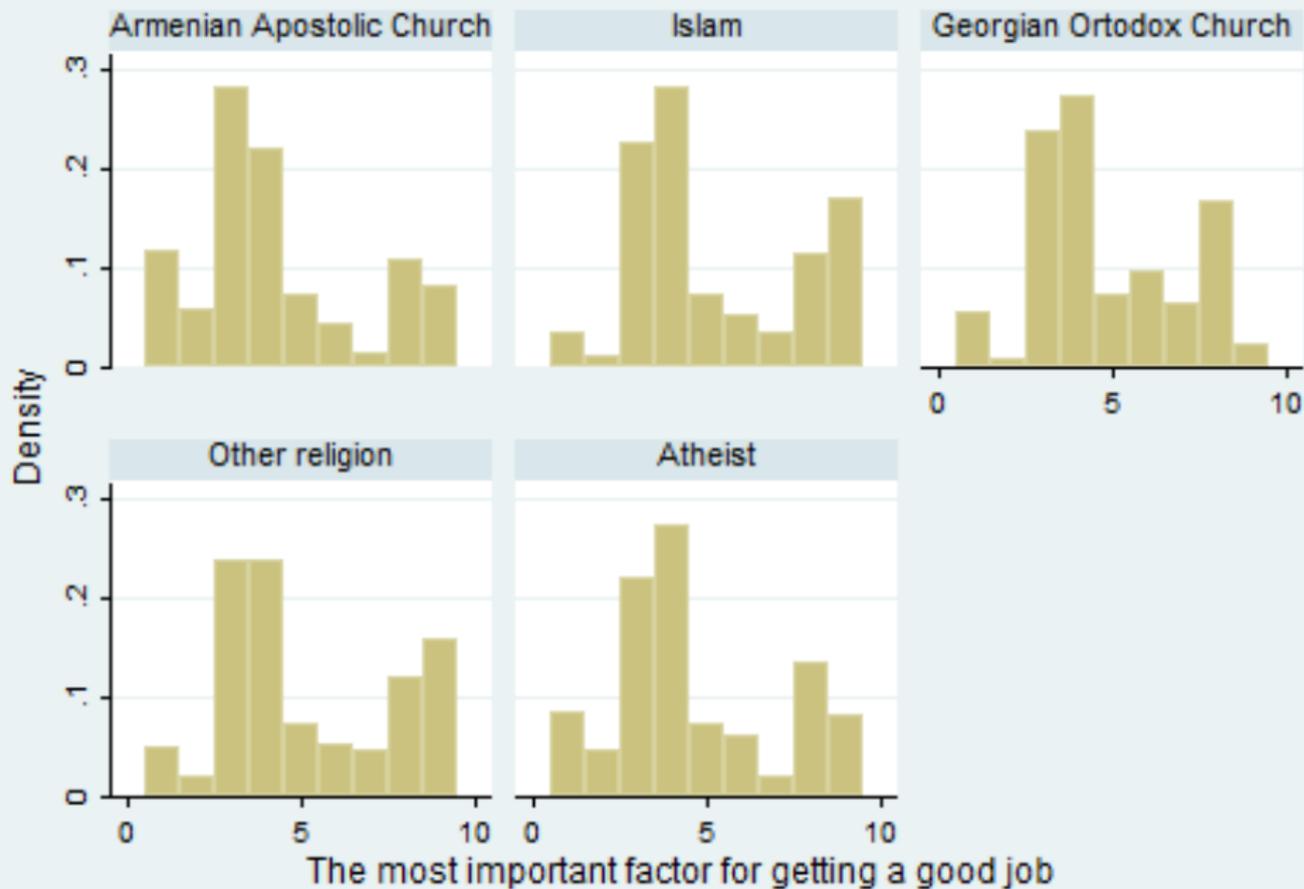
Graphs by Religion group (enlarge)

Multinomial logistic regression I

Control variables are locality, age, employment status, personal income last month, years of formal education, gender.

	Age			Appearance			Professional abilities work expe		
	Country	Ethnic	Religion	Country	Ethnic	Religion	Country	Ethnic	Religion
Armenia									
Azerbaijan	-1.174***			-1.788***			-0.108		
	(0.087)			(0.132)			(0.063)		
Georgia	-0.991***			-2.321***			0.095		
	(0.069)			(0.143)			(0.056)		
Armenian									
Azerbaijany		-1.148***			-1.831***			-0.170**	
		(0.084)			(0.133)			(0.062)	
Georgian		-1.055***			-2.212***			0.171**	
		(0.074)			(0.150)			(0.057)	
Other ethnicity		-0.501**			-1.485***			-0.094	
		(0.176)			(0.349)			(0.156)	
Armenian church									
Islam			-1.229***			-1.904***			-0.197**
			(0.089)			(0.143)			(0.065)
Georgian church			-0.984***			-2.161***			0.230***
			(0.074)			(0.150)			(0.059)
Other religious			-0.771***			-1.076***			-0.012
			(0.129)			(0.186)			(0.098)
Atheist			-0.376*			-0.344			0.054
			(0.162)			(0.209)			(0.137)
constant	-2.845**	-2.941**	-2.824**	-0.986	-1.001	-0.991	-0.901*	-0.781*	-0.761*
	(1.053)	(1.053)	(1.053)	(1.083)	(1.081)	(1.081)	(0.356)	(0.357)	(0.357)

Multinomial logistic regression II

	Connections			Hard work			Doing favors for the 'right' people		
	Country	Ethnic	Religion	Country	Ethnic	Religion	Country	Ethnic	Religion
Armenia									
Azerbaijan	-0.361***			-0.420***			0.778***		
	(0.051)			(0.076)			(0.064)		
Georgia	-0.367***			-0.170*			-1.244***		
	(0.046)			(0.068)			(0.083)		
Armenian									
Azerbaijany		-0.394***			-0.413***			0.633***	
		(0.049)			(0.074)			(0.062)	
Georgian		-0.345***			-0.133			-1.403***	
		(0.048)			(0.070)			(0.092)	
Other ethnicity		-0.085			-0.044			0.366*	
		(0.121)			(0.173)			(0.153)	
Armenian Apostolic church									
Islam			-0.448***			-0.354***			0.522***
			(0.052)			(0.077)			(0.065)
Georgian church			-0.333***			-0.099			-1.376***
			(0.049)			(0.073)			(0.094)
Other religious			-0.268***			-0.225			0.608***
			(0.079)			(0.118)			(0.094)
Atheist			-0.439***			-0.193			-0.203
			(0.119)			(0.170)			(0.164)
constant	0.320	0.349	0.416	-0.750	-0.747	-0.787	-2.923***	-2.732***	-2.511**
	(0.361)	(0.362)	(0.362)	(0.588)	(0.589)	(0.589)	(0.775)	(0.773)	(0.773)

Multinomial logistic regression III

	Luck			Talent			Education		
	Country	Ethnic	Religion	Country	Ethnic	Religion	Country	Ethnic	Religion
Armenia									
Azerbaijan	-0.019			0.931***			1.171***		
	(0.087)			(0.129)			(0.086)		
Georgia	0.486***			1.288***			0.992***		
	(0.074)			(0.117)			(0.069)		
Armenian									
Azerbaijany		-0.066			0.853***			1.145***	
		(0.085)			(0.126)			(0.084)	
Georgian		0.576***			1.402***			1.056***	
		(0.075)			(0.116)			(0.074)	
Other ethnicity		0.280			1.355***			0.501**	
		(0.194)			(0.224)			(0.176)	
Armenian Apostolic church									
Islam			-0.104			0.746***			1.226***
			(0.089)			(0.133)			(0.089)
Georgian church			0.619***			1.417***			0.985***
			(0.078)			(0.121)			(0.074)
Other religious			0.060			1.230***			0.768***
			(0.134)			(0.165)			(0.129)
Atheist			0.007			0.126			0.372*
			(0.193)			(0.317)			(0.162)
constant	-1.351*	-1.197*	-1.154	-2.928***	-2.723***	-2.697***	2.330**	2.411**	2.312***
	(0.594)	(0.595)	(0.596)	(0.625)	(0.627)	(0.628)	(0.282)	(0.282)	(0.282)

Multinomial logistic regression IV

	Country	Ethnic	Religion
N	22668	22650	22574
ll	-42296	-42276	-42212
chi2	4034.6	3997.5	3846.0
Pseudo R^2	0.046	0.045	0.044

Standard errors in parentheses
* $p < .1$, ** $p < .05$, *** $p < .01$

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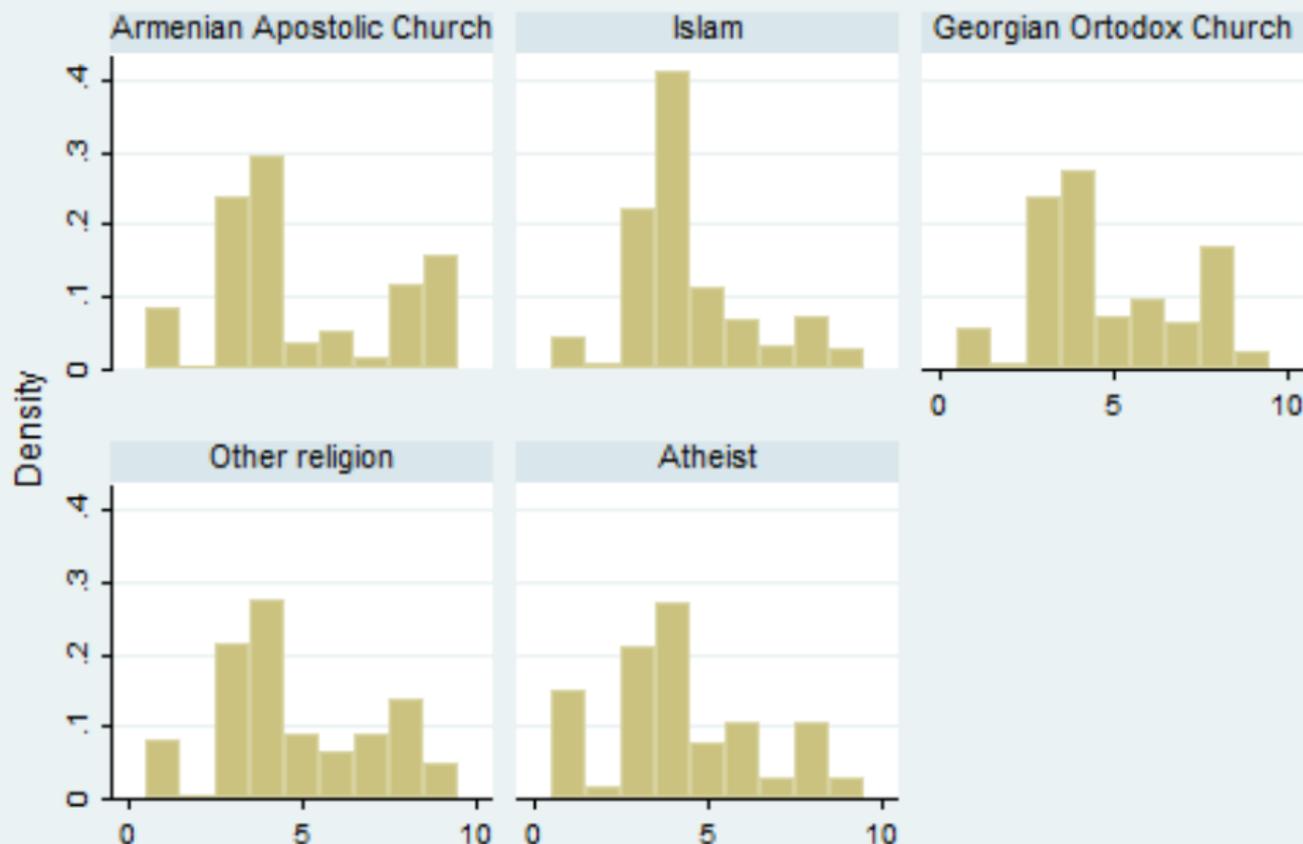
Graphs by Religion group (enlarge)

Limitation: Georgia

Religious groups	Ethnic group				Total
	Armenian	Azerbaijani	Georgian	Other ethnisity	
Armenian Apostolic Church	362	0	2	0	364
Islam	0	451	390	6	847
Georgian Ortodox	83	7	7,175	179	7,444
Other religion	18	64	102	18	202
Atheist	14	2	55	5	76
Total	477	524	7,724	208	8,933

Conclusions

- There are country, ethnic, religious diversity
- There are problems to separate these effects
- If we limit observations, there are new problems

Further line of research

- country fixed effects
- rate of religiosity
- rate of trust
- to constrain locality

Thank you !