

EGC RESEARCH BRIEF | JULY 2024

Flexible work arrangements: a gateway to the labor force for women

Featuring a paper by Lisa Ho, Suhani Jalota & Anahita Karandikar

BACKGROUND

Recent analyses have shown how gender norms constrain women from participating in the labor market.¹ However, what would work to support their participation in the labor force is less clear. A paper titled “Bringing Work Home: Flexible Arrangements as Gateway Jobs for Women in West Bengal” by Lisa Ho, Suhani Jalota & Anahita Karandikar, shows how the way jobs are designed can induce more women to work.

The authors conducted a field experiment in West Bengal, in which flexible, short-term data entry jobs were offered to women who were not currently in the labor force. The experimental design varied the degree of job flexibility in terms of timing, childcare, and ability to work from home, in a way that enabled the authors to answer the following three main questions: i) what is the impact of flexible working arrangements on job take-up for women in this context? ii) what is the impact of working from home on worker productivity for participating women? iii) what is the impact of taking temporary at-home jobs on women’s subsequent choices to accept jobs outside the home?

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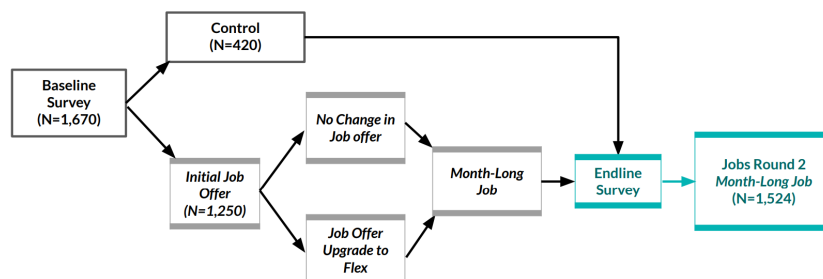
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1. Jayachandran, Seema, “Social norms as a barrier to women’s employment in developing countries,” *IMF Economic Review*, 2021, 69 (3), 576–595; Bernhardt, Arielle et al. 2018. “Male Social Status and Women’s Work.” *AEA Papers and Proceedings*, 108: 363-367.

METHOD

Ho et al. ran an experiment with 1,670 households in eight areas in or close to Kolkata, West Bengal. As Figure 1 illustrates, these women were randomly assigned to either receive a job offer in the treatment group, or no job offer in the control group. The households in the treatment arm were given job offers involving five different work arrangements that varied across three dimensions: time, multitasking with childcare, and location. After participants decided to accept or reject their job offer, the authors randomly selected half of the participants who accepted a less flexible job to be surprised with an upgrade to the most flexible job. This design feature enabled isolation of the effects of flexible work arrangements on job performance.² Two to three months later, the authors measured subsequent take-up of different work opportunities (“jobs round 2”), including some outside-the-home jobs.

Figure 1: Field experiment design

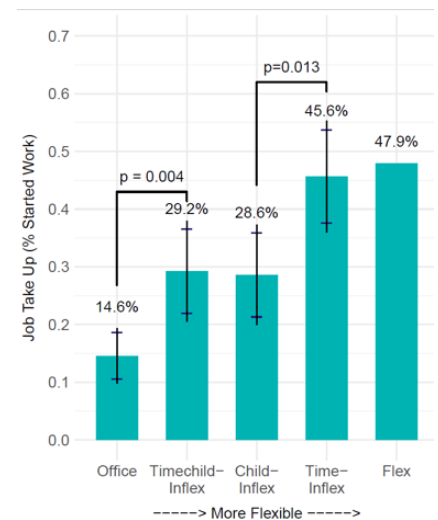


RESULTS

Ho et al. (2024) found the following:

1. Making jobs flexible is important to women, tripling job take-up, from 15% for an office job to 48% for a job that women can do from home while multitasking with childcare, as shown in Figure 2. Flexibility to work from home was very important, as was flexibility to multitask with childcare, but time flexibility made little difference. Forty-eight percent of participants in the sample had at least one child under eight years old.
2. Working from home led to women spending 8% more time doing the same amount of work, due to interruptions. This would be cost-neutral for firms that pay piece rate wages, but would be more expensive for firms that pay salaries. However, the ability to work from home increases reliability, decreasing job no-show by 25%.
3. Flexible jobs acted as a gateway to outside-the-home jobs for women initially out of the labor force: women who first had an opportunity to work from home were 6% more likely to accept outside-the-home work two to three months later, a result that held when the women were offered either digital or non-digital jobs.

Figure 2: Job take-up by flexibility level



These results imply that firms in the private sector can benefit from a broader pool of talented candidates — and eventually employees — if these firms design jobs with more flexibility on working from home and combining work with childcare.

L. Ho, S. Jalota, A. Karandikar. “Bringing Work Home: Flexible Arrangements as Gateway Jobs for Women in West Bengal” STEG Working Paper. STEG WP080. Available at https://steg.cepr.org/sites/default/files/2024-01/WP080_Ho_BringingWorkHome_0.pdf

2. If workers were not randomly assigned the upgrades to flexible work arrangements, then workers would self-select into flexible or non-flexible work arrangements. This would mean that differences in measures such as productivity across treatment arms would reflect both the characteristics of the people who chose them (selection effects) and the impact of the work arrangements (treatment effects).