Personality, Tasks and Wages

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Technological change is linked to changing skill requirements on the labor market. Routine tasks are likely to be less requested, while analytical and interactive tasks are likely to further gain importance. We study (1) whether individuals with different personality traits are likely to perform different job tasks within the same occupation and (2) whether personality traits are differently rewarded depending on the job task the individual performs. Our analysis is based on the follow-up survey to the latest 2018 BIBB/BAuA Employment Survey. We find that within occupations, more extraverted employees sort into interactive tasks, while more open employees sort into analytic and non-routine manual tasks. Moreover, employees with higher levels of openness earn an additional wage return to this trait when analytic tasks are their main job task, independent of their occupation. Our findings support the view that educational institutions should strengthen the interest in developing new ideas or strong communication skills among (future) employees.