



# **WORKERS AND THE ECONOMIC PSYCHOLOGY: THE ROLE OF BIG-5 PERSONALITY TRAITS**

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*INAPP*

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# *Research area in economic psychology*

- New research area in economic psychology and behavioral economics using INAPP datasets
- A collaboration with the University of Milano Bicocca
- A contract on “Behavioral sciences applications to support new entrepreneurship”
- Scientific coordinator for University of Milano Bicocca Professor Viale, I am the delegate of INAPP
- Within the contract INAPP will also finance a post-doc position (assegno di ricerca) at the University of Milano Bicocca
- We already published - Scicchitano, S., Biagetti, B. and Chirumbolo A. (2020) More insecure and less paid? The effect of perceived job insecurity on wage distribution in Applied Economics, Volume 52, 2020 Routledge.
- Potential lines of research on economic psychology by using INAPP data on workers (previous presentations were on entrepreneurs )

- **INAPP-PLUS datasets**
- **Survey sample:** 45,000 individuals aged 18-74
- It is about workers (RIL is about entrepreneurs) we can control for a large number of characteristics
  - Individual: household, age, education..
  - Job: contract, task...
  - Firm: sectors, size..
- We have inserted the same questions of RIL (to compare workers and entrepreneurs)
  - Time preferences
  - Risk taking
- But we have also Big-5 model

# *Big-5 and INAPP PLUS*

- The INAPP-PLUS 2018 dataset contains the Ten Item Personality Inventory (TIPI) measure of the Big-5 framework,
- 5 broad trait domains:
  - Extraversion,
  - Agreeableness,
  - Conscientiousness,
  - Neuroticism
  - Openness to Experience.
- The TIPI version originally proposed by Gosling et al. (2003) and adapted to Italy by Chiorri et al. (2015),

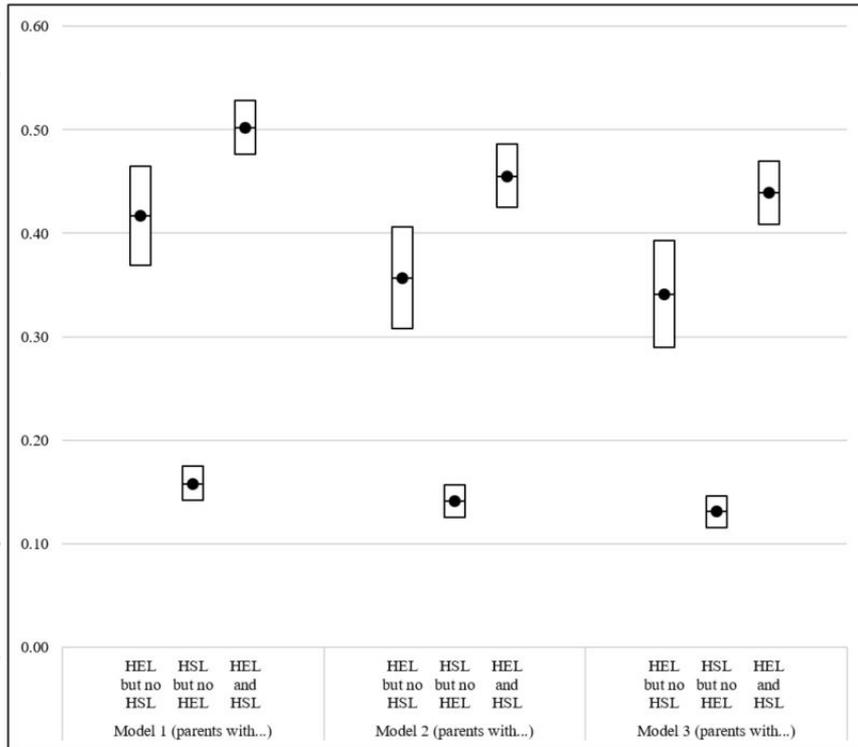
- Intergenerational mobility and personality traits
- Importance of non-cognitive skills in determining labour market outcomes (Carneiro et al. 2007; Borghans et al., 2008; Heckman and Kautz 2012; Fletcher 2013; Cobb-Clark 2015; Caliendo et al. 2019; Golsteyn and Magnée 2020) .

- Personality traits and economics literature
- Personality traits and
  - socio-economic success (Heckman and Rubinstein 2001; Borghans et al. 2008; Almlund et al. 2011).
  - unemployment (Caliendo et al. 2015; Cuesta and Budria 2017; Egan et. al. 2017)
  - over-education (Blasquez and Budria 2012; Engelhardt 2017)
- Personality traits are can contribute to outcomes of intergenerational mobility (Bowles et al. 2001; Bowles et al. 2005).
- Our 2 recent papers on big 5 and economics behavior
  - Big-5 and intergenerational mobility
  - Big-5 perceived job insecurity and technological innovation

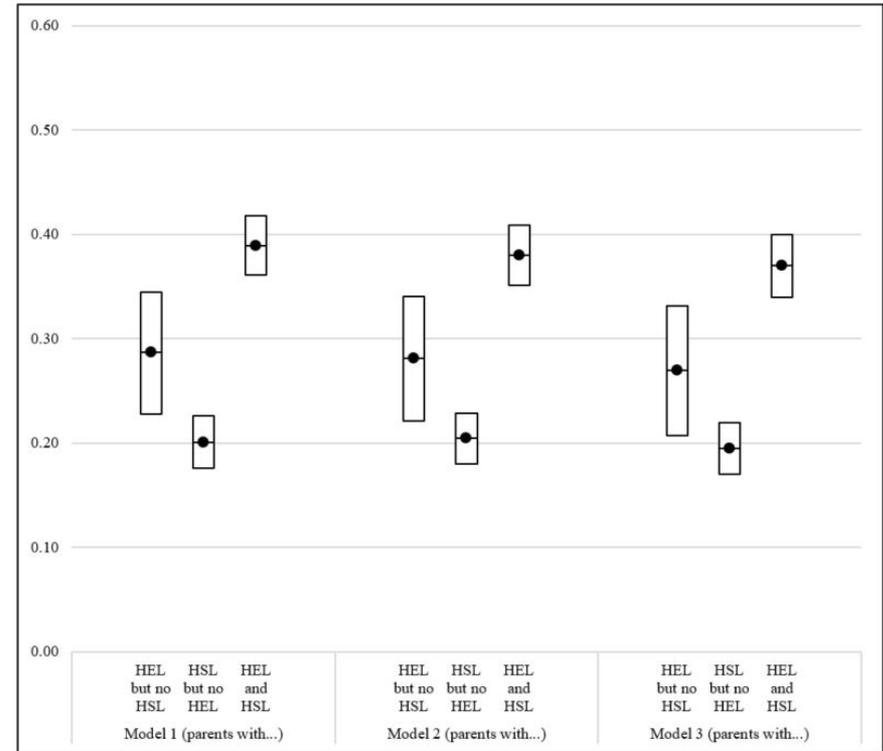
- “Sometimes you cannot make it on your own. How the household background influences chances of success in Italy?” with Luca Bonacini (from the university of Modena and Reggio Emilia) and Giovanni Gallo (from INAPP)
  - personality traits and intergenerational mobility.
- The impact of parental background on labour market outcomes.
- Omitted variables (Blasquez and Budria 2012).
- With INAPP-PLUS 2018 dataset, we can build the ‘Big-5 model’ for Italy.
- This model is the most prevalent personality framework in the literature (Borghans et al. 2008).

Figure 3 – Household background effects on educational and social opportunities: Probit marginal effects

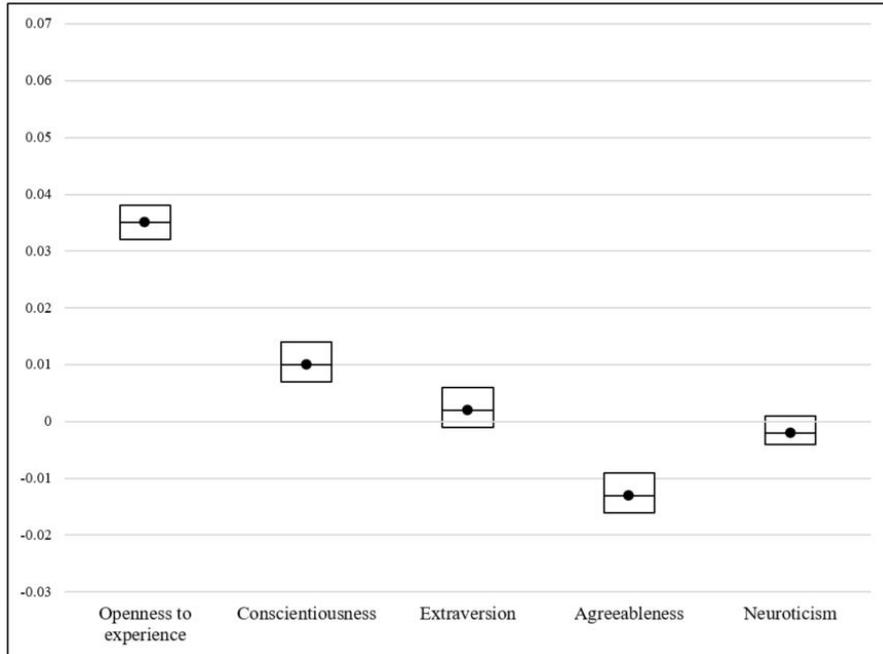
Panel a. HEL (household background variables)



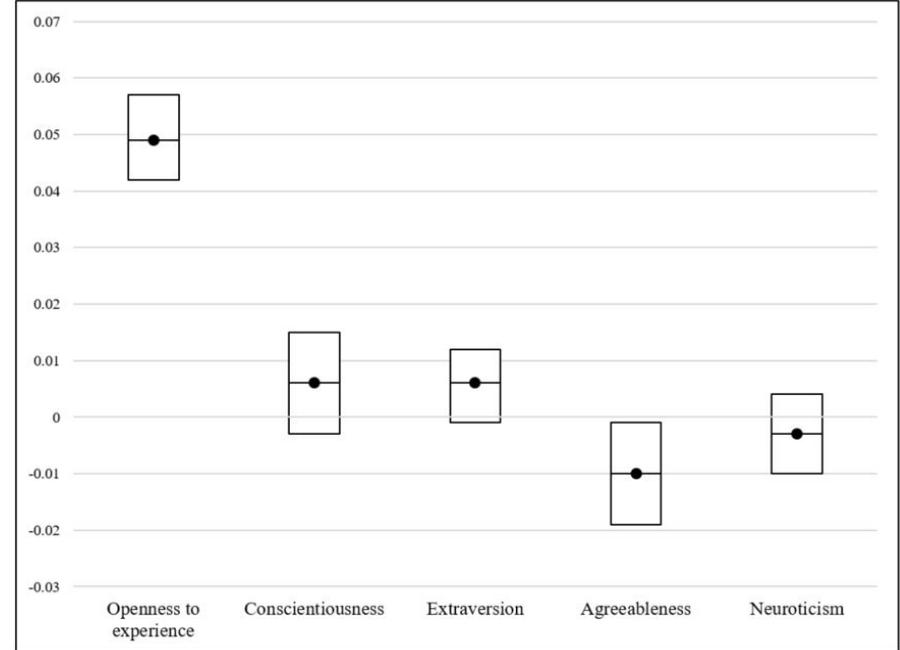
Panel c. HSL (household background variables)



Panel b. HEL (Big-5 variables)



Panel d. HSL (Big-5 variables)



Notes: Standard errors are clustered by Italian province; Outlined areas represent confidence intervals at the 5% level. Effects of Big-5 variables on HEL and HSL are estimated in Model 3. Complete estimates are presented in Table A.2.

# *Conclusions of the paper*

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- Household background matters for the level of education and for social classes of children
- Personality traits and intergenerational mobility
- Openness to experience

- Marcolin, A. and Scicchitano, s. (2020), Will Robots Take Your Job? the Workers' Point of View, presented at 32<sup>nd</sup> SASE Annual Meeting, july 2020.
- Big-5, perceived job insecurity and technological innovation
  - Neuroticism increases JI due to technology
  - Openness and consciousness reduce JI due to technology

- INAPP-PLUS dataset and the Big-5 personality trait module
- 45,000 individual with a large number of socio demographic characteristics
  - Age, education, job, household...
- The only one in Italy with such a number of observations
  - Available for psychologists, sociologists, economists, social scientists..
- Please apply for the data and send us your research proposals

- Bonacini, L., Gallo, G. and Scicchitano, S. (2020), Sometimes You Can't Make It on Your Own: Evidences on Intergenerational Mobility in Italy, presented at 32<sup>nd</sup> SASE Annual Meeting, july 2020.
- Marcolin, A. and Scicchitano, S. (2020), Will Robots Take Your Job? the Workers' Point of View, presented at 32<sup>nd</sup> SASE Annual Meeting, july 2020.
- Scicchitano, S., Biagetti, B. and Chirumbolo A. (2020) More insecure and less paid? The effect of perceived job insecurity on wage distribution in Applied Economics, Volume 52, 2020 - Issue 18, Routledge Taylor & Francis Group

*Thank you for the attention!*

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