Discrimination Multipliers
How Immigrants’ integration affects labour market disadvantage
FLAVIA FOSSATI, FABIENNE LIECHTI, DANIEL AUER and GIULIANO BONOLI

DISCRIMINATION MULTIPLIERS: HOW IMMIGRANTS’ INTEGRATION AFFECTS LABOUR MARKET DISADVANTAGE

Abstract

The paper analyses, how a low level of cultural distance and a strong social and cultural integration affects second-generation immigrants’ labour market chances. We address this question by means of a survey experiment carried out with human resources professionals in Switzerland. First, we analyse whether job applicants are evaluated more negatively if their parents stem from a country perceived to be culturally more distant from the host country and whether second-generation applicants whose profile conveys a strong attachment to their culture of origin (language) and engaging in social activities within their community, are evaluated more negatively by prospective employers.

Keywords

Labour market access, hiring decision, integration, cultural distance.

Authors

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Bio-notes

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Giuliano Bonoli is Professor of social policy at the Swiss graduate school for public administration at the University of Lausanne. His work has focused on pension reform, labour market and family polices, with particular attention paid to the politics of welfare state transformation. He has published some fifty articles and chapters in edited books, as well as a few books. Among his key publications one can mention: Bonoli, G. (2013) The origins of active social policy. Active labour market policy and childcare in a comparative perspective, (Oxford, Oxford University Press).

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**Introduction**

In an *age of migration* and with increasing refugee movements, the question of what facilitates or hinders integration of individuals with foreign backgrounds becomes highly salient. In our study, we focus on labour market access, as this is widely recognised to be an essential prerequisite for, as well as an important outcome linked to, a successful integration in the host society (Heath et al., 2008; Heath and Cheung, 2007; Castles et al., 2013). This is even more true in modern work-based societies, where employment is not only a way to foster social contact (with natives) and assure an individual’s economic independence from the welfare state (e.g., Drever and Hoffmeister, 2008), but where work essentially defines a person’s identity, position in society and chances of social mobility (e.g., Fleischmann and Dronkers, 2010: 338). The bottom-line is that, as suggested by Heath et al. (2008), immigrants and their children’s integration in a host society, eventually, fosters social cohesion in a country.

However, extensive research has shown that individuals with a foreign background face persisting difficulties to enter the labour market (Heath et al. 2008; Zschirnt and Ruedin, 2016). One explanation for the disadvantage that candidates with an immigration background experience puts employers into the spotlight. Research, from different disciplines, shows that employers may, consciously or unconsciously, discriminate against individuals with a different cultural background (e.g. Becker 1957; Arrow 1973; Fiske, 1998). Discriminatory behaviour is observed in many studies on hiring (Bertrand and Mullainathan, 2004; Carlsson and Rooth, 2007; Kaas and Manger, 2010; Auer et al. 2016; Zschirnt and Ruedin 2016) and other labour market outcomes (e.g. Ebner and Helbling, 2015; Pierce, 2012; Blank et al. 2004; Braddok and McPartland 1987).

Whilst for first-generation immigrants the patterns of disadvantage seem more difficult to surmount because of, for instance, lacking language proficiency, difficulties with diploma recognition and other factors that may objectively lower their employability, the situation seems different for *second-generation immigrants*. These individuals grew up and were schooled in the host country and, thus, should have the means to succeed in work, and more generally in life. However, the literature shows that this is not necessarily the case and that second-generation immigrants too suffer from conspicuous disadvantages regarding labour market success (Heath et al, 2008; Fibbi et al., 2006; Midtbøen, 2014; Midtbøen and Rogstad 2012b).

In this article, we analyse to what extent having parents that stem from a national background that is perceived as “distant” from the host country affects labour market access chances of individuals. What is more, we analyse to what extent second-generation immigrants can countervail the disadvantage they are born with. We expect that showing a high level of social and cultural integration in the host country alleviates, at least to some extent, the disadvantages that these individuals face. In other words, we test whether showing a successful societal integration helps them overcoming their disadvantage and accessing the labour market.

We study hiring preference of human resources (HR) professionals in an experimental setting in Switzerland. Thereby, we vary the profiles of applicants to convey the information that jobseekers with a different national background (varying names) are more (less) attached to their original cultural background, i.e. retaining a strong
connection to their parent’s language and socially engaging either in the host country’s or their parents’ native community. The strength of our approach is that we test our hypotheses with a sample of employers who are least likely to show discriminatory patterns, as HR professionals can be expected to be well-trained and thus less prone to discriminatory behaviour. The results we yield from this sample of recruiters can thus be considered conservative estimates of how second-generation immigrants are evaluated and thus to what extent they are likely to be hired in the Swiss labour market.

The paper proceeds as follows: First, we discuss the theory and develop hypotheses about the characteristics that influence labour market integration chances of immigrants. Next, we describe the empirical strategy and the experimental setup. Finally, we conclude by summarising the results and discussing their implications.

Theory

Against the backdrop of evidence that individuals with a foreign background are oftentimes disadvantaged during the hiring process (Bertrand and Mullainathan, 2004; Carlsson and Rooth, 2007; Kaas and Manger, 2010; Auer et al. 2016; Zschirnt and Ruedin 2016), we inquire whether there are factors that either counteract or exacerbate this inequality of opportunities. From the literature on cumulative disadvantages, we know that the chances of a candidate may decrease (increase) if he or she possesses more than one trait that is associated with lower (higher) productivity. For instance, the study by Blau and Duncan (1967) shows that being a black male stemming from the south of the US leads to conspicuously lower levels of occupational achievements. In fact, both the ethnic origin, as well as the geographical disadvantage, which in this particular case is linked to lower educational preparation to the labour market, reduce the occupational and social mobility perspectives of black individuals. In other words, some profiles accumulate a higher level of disadvantage than others.

From the perspective of contemporary European labour markets, we identify two possible determinants of labour market disadvantage: nationality distance, i.e. the categorisation of different countries ranked according to their distance to the Swiss (Western European) society, and cultural and social integration as the individual effort to adapt and assimilate to the host-country culture and society.

Nationality distance and perceived level of integration

There have been different attempts to explain this immigrants’ labour market disadvantage theoretically (see Zschirnt and Ruedin, 2015). To some extent lower labour market achievement may be due to the, on average, inferior socio-economic status of members of immigrant groups (composition effects). However, research proved that differences in outcomes persist even after controlling for these factors (e.g. Ballarino and Panichella, 2015). Consequently, research started focusing on the actual gatekeeper that stands between the immigrant candidate and his or her possible employment: the recruiter.

The economic literature distinguishes between two possible explanations for the occurrence of immigrants’ labour market disadvantage: taste and statistical discrimination (Becker, 1957 vs. Spence, 1972; Arrow, 1973). Statistical discrimination theory argues that employers use the information conveyed by group
averages to refine the candidates’ productivity assessments. Taste discrimination theory instead argues that employers might just dislike certain candidates or be worried about customer and/or employees’ reaction and thus decide not to hire them.

To develop our theoretical expectations about how an immigration background is linked to labour market disadvantage, we rely both on the literature on statistical discrimination and on insights from social psychology. We connect these different literatures thereby following the advice of Guryand and Charles (2012) who suggest that insights from this research can inform us about the origins of employers’ productivity assumptions.

Social psychology studies show that classifying individuals into different groups is an automatic process (Allport, 1954) that takes place in the “fast-thinking” part of our brain (Fiske, 1998; Kahneman, 2011). Automatic classifications are activated particularly in situations of cognitive overload and when fast decisions need to be taken.

One consequence of automatic classification is a broad distinction in in- and out-group members, i.e. members who are perceived as more or less distant from oneself. Research shows that members of the in-group are automatically favoured1 because interacting with other in-group members decreases transaction costs (e.g. speaking the same language), prevents misunderstanding and helps fostering group cohesion (Sumner, 1906; Hutnik, 1991). Consequently, for an employer a member of a foreign nationality is likely to be associated with a signal of lower productivity due to potential sources of misunderstanding (Fiske, 1998; c.f. Baumle and Fosset 2005; Midtbøen 2013; Moss and Tilly, 2001; Waldinger and Lichter, 2003). This form of stereotype activation is most virulent for written applications than for actual interaction and thus present a particularly challenging problem for the channel of application we are studying – i.e. written or online applications (Fiske, 1998).

However, the literature also shows that a mere in- and out-group distinction does not do justice to the complex intergroup relations we find in modern societies. Hagendoorn (1995 and 1993) suggests that natives ascribe different levels of distance to different ethnic groups or nationalities and that such rankings are very similar independently of the social or ethnic background of the respondents. In Western societies, northern Europeans are ranked highest followed by southern Europeans, South Americans, finally individuals stemming from African and the Middle East are ranked lowest (Hagendoorn & Hraba, 1987). More recent research has found (descriptive) evidence that the ranking of the nationalities follows the patterns suggested by ethnic rankings (e.g. Snellmann and Ekehammar 2005 for Sweden and Auer et al. 2016, for Switzerland).

We expect that:

H1) Employers evaluate applicants more negatively, the more their national background is perceived as being distant from the host society.

1 In this framework distance can be operationalised by means of a dichotomous variable capturing whether a person has a migration background or not. However, as suggested below in multi-ethnic societies this distinction is likely to be too crude.
Cultural and social integration: language spoken and social engagement

The automatic classification in in- and out-group is also accompanied by a generally more positive evaluation of the in-group members (Fiske, 1998). This advantage is linked to preferences for behaviour that conforms to shared normality assumptions, with predictability, and with lower transaction costs. Since, as we argued above, nationalities are perceived as more or less distant from the in-group standard, it should be possible to enhance the closeness perception by means of specific characteristics or behaviours. Put differently, we expect that an outgroup candidate who is able to convey an image of him or herself as being closer to the in-group should also experience less disadvantage on the job-market.

Learning the local language is an essential step for first generation immigrants to integrate into the social fabric of the host country (e.g. Alba and Nee, 2003; Dustmann and Fabbri, 2003; Kogan et al., 2011; Chiswick, 1991). For second generation immigrants, who were brought up and schooled in the host country, speaking the local language should no longer be a problem, and studies show that children of immigrants acquire this skill easily and oftentimes help their parents in practical situations with the acquired competences (e.g. Dorner and Pulido, 2003). In terms of language competences, immigrant families and second-generation individuals have, at least to some extent, the choice either of actively cultivating the language linked to their parents’ native background or of focusing more on the “new” language. This decision may have important implications for the way host-country nationals perceive the cultural attachment and, thus, the social distance of a person. If a second-generation individual is no longer fluent in the language of their ancestors, this is likely to signal a high level of cultural assimilation in the new country (Alba and Nee, 2003). For an employer, this is desirable because the person is likely to be well adapted to the norms of the in-group and thus may be perceived as more employable. Conversely, immigrants’ children who are taught their parents’ language - particularly those who disclose this knowledge in their CV - are likely to retain a stronger connection to this background, as language is closely linked to traditions and culture (lit). This, in turn, might trigger the perception that this person is more distant from the host country’s culture than his or her counterpart who is no longer fluent in his or her parents’ language of origin.

From a human capital perspective, however, employers who act rationally and try to maximise profit, should prefer candidates who are fluent in more than one language. Hence, if recruiters do not appreciate this resource, we are likely confronted with the effect of the activation of negative stereotype associated with an outgroup, rather than with strictly economic thinking.

As Wimmer (2004) shows, this is particularly the case with individuals stemming from more recent immigration waves. In our case, it is likely that Spanish-speaking persons are perceived as less distant than Polish and Turkish speaking people, who immigrated more recently and stem from a culturally more distinct background.

Another mechanism that may signal a strong attachment, and thus a good level of integration into the host country, is social engagement. In other words, to countervail the negative stereotype of a distant national background, a candidate might show a strong engagement in the local community. In fact, as argued by Putnam (1993) strong
civic engagement is associated with the building of trust, which is essential for social interaction, and facilitate activities ranging from trade to the functioning of democratic processes. Conversely, candidates who retain a strong attachment to their parents’ original community in terms of civic engagement may signal an unwillingness to fully integrate in the host country. Thereby, he or she likely triggers an out-group association in the prospective employer, yielding a less positive evaluation.

Summarising our expectation, we postulate:

**H2**) Employers evaluate candidates who retain a strong cultural and social connection to their country of origin more negatively than candidates whose profile conveys a higher level of cultural and social integration in the host country.

Finally, in line with the cumulative disadvantage theory, we can expect that the accumulation of several negative signals, i.e. a large social and cultural distance, increases the disadvantage of an individual on the labour market (e.g. Blau and Duncan, 1967).

**H3**) Employers evaluate candidates more negatively the lower their level of cultural and social integration in the host country is.

Data and method

The drivers of employers’ hiring behaviour (e.g. application pool, hiring preferences) are difficult to observe directly. Therefore, the literature agrees that experimental settings are a good approach to study research questions linked to candidate recruitment. Correspondence testing, for instance, is an often-used method; however, it comes with ethical concerns as it directly affects the application and selection process, possibly creating costs for both candidates and employers (Zschirnt 2016). Thus, we resort to a less intrusive methodology, consisting of an online Factorial Survey (FS) with Human Resource Managers (HR-Suisse) in Switzerland.

Experimental setup

FS is a widely-applied method in the social sciences and it is increasingly used to study employers’ hiring behaviour (van Beek 1993; Biesma et al. 2007; Di Stasio and Gërhxhani 2015; Di Stasio 2014; de Wolf and van der Velden 2001; Abraham and Damelang 2016; Liechti et al. 2016). In factorial experiments, participants are confronted with fictitious descriptions (vignettes) of situations. In our online survey, we embedded brief descriptions that approximate a schematic CV with some additional information, as it could have been generated by an online job application portal, describing fictitious candidates. For three different jobs, i.e. caretaker, HR assistant and accountant, we asked HR professionals to evaluate these descriptions and assign each candidate a rating on an 11-point Likert scale (values 0-10) stating the probability to invite the candidate to an interview. These variables are not directly measuring the outcome (i.e. a successful hiring), rather they present a stated choice of an employers’ willingness to interview a candidate and thus are an indirect evaluation of productivity of a candidate. However, studies such as the ones by Webb and Sheeran (2006) and De Dreu et al. (2001) show that there is a high correlation between stated and actual behaviour.
The advantage of our study, is that we do not rely on convenience samples, mostly students, but study actual recruiters’ preferences (for such an example see Baert and de Paw 2014). Moreover, the FS approach reduces the risk of attributing the employers’ preferences on a characteristic that rests unobserved for the researcher but is observed by the employer and allows testing the influence of several dimensions at the same time. Overall, this experimental method delivers a more valid measurement of attitudes and is less biased by social desirability than item based techniques such as standard surveys. In fact, for the respondent it is more difficult to follow socially desirable patterns when several characteristics that are associated with labour market disadvantage vary contemporaneously (Auspurg, Hinz, and Liebig 2009). Further, this method allows investigating the effect of numerous individual attributes at the same time, which is especially interesting when studying complex phenomena such as recruiting (cf. Andriessen et al. 2014: 240; Hainmueller and Hopkins 2014: 2). Our experimental setting, varied the skill level of the occupations to include a low-skilled (caretaker), a middle-skilled (HR assistant) and a high-skilled (accountant), to inquire whether different hiring preferences apply for different profiles. We analysed the impact of eleven other dimensions that provide key information on applicants and vary the values of the dimensions randomly (see Table A1. in the appendix for a complete list and Table A2 for the correlations among vignette dimensions). We relied on a d-efficient (90.70\(^2\)) sample of 670 vignettes from all 203’400 possible combinations to maximise the orthogonality of the eleven dimensions.

Prior to introducing four different vignettes per job, a general description of the situation was displayed where it was specified that all candidates had completed their compulsory education in Switzerland, to avoid diverging assumptions about language proficiency and acculturation schooling and recognition of foreign diplomas for candidates with a foreign-sounding name (Gordon 1964). Moreover, we included a brief description of the tasks involved for the different occupations as well as the indication that the candidates are unemployed due to the closure of the firm where they previously worked, as to avoid varying interpretations about the reasons for dismissal (see Table A2 for the descriptions in German).

As the aim was to study characteristics that may trigger social desirability bias, it was framed in general terms as a project inquiring into regional differences in recruitment needs and preferences. The online survey was administered in both, the French and the German speaking part of Switzerland and participants could choose the language they preferred. The data collection took place between June and October 2016. We obtained data for 437 individuals who rated a total of 1736 vignettes (response rate ~12%).

**Operationalisation**

We capture disadvantage linked to *nationality* by including typical names associated with specific nationalities. Thereby, we assign names from the most common name

\(^2\) The d-efficient sample ensured that estimation of all single- and two-way interaction effects, as well as two three way interactions (Auspurg and Hinz, 2015).
and surname lists for the respective nationalities at random to the different candidate description. We include Swiss candidates as baseline, then, following Hagendoorn (1995), we include individuals with a Spanish (closest group), Polish (middle level of distance), and Turkish sounding name (most distant group). In fact, the literature shows that individuals associated with Muslim religion oftentimes take the most disadvantaged position in the Swiss ethnic ranking system (c.f. Ruedin et al. 2013; Hainmueller and Hangartner 2013; Helbling 2010).

Subsequently, we operationalise cultural integration by means of the second language spoken by the candidate. The candidates either speak the local language (French/German) or, for the immigrants only, they speak the local language (French/Germany) plus their parents’ native language (Spanish, Polish, or Turkish). For reasons of productivity, employers should prefer a candidate who, beyond speaking the local language, also speaks a second language. If this is not the case, however, the result can be interpreted as the employers’ perception of a lower level of cultural integration.

We operationalise the part of the integration process, which is concerned mostly with social capital generation, by means of the candidates’ social engagement (hobbies). We introduce a baseline with “no hobby”, and include two categories of hobbies, which signal a social engagement in the framework of typical/traditional Swiss free-time activities. On the one hand, we have candidates acting as trainers for the local life-saving swimmers, and others volunteering for the Red Cross (strong integration). On the other hand, to signal a strong attachment to a foreign background we specified that the candidate works as chairman in their nationality’s cultural association (low integration). Since we are interested in the effect of social engagement within the host country’s society vs. in a foreign community we collapse these variables into a dummy (foreign hobby vs. other hobby).

Finally, to assess the effect of an accumulation of disadvantage we create a variable that captures whether an individual both speaks a foreign language and engages in a hobby with a foreign connotation.

Results

The results in Figure 1 show that nationality is a strong determinant of labour market disadvantage and that this disadvantage follows a pattern of perceived distance, as it is proposed by Hagendoorn’s (1995) theory. Individuals with a Spanish sounding name are rated similarly to the Swiss (baseline), whereas individuals with typical Polish or Turkish sounding names are rated significantly worse compared to the Swiss baseline category. This finding corroborates the hypothesis that disadvantage linked to nationality varies among groups (H1).
Second, we analyse whether candidates who signal a stronger level of integration are advantaged compared to the ones who depict a higher level of connection to their parents’ background. We find that retaining a strong cultural attachment to a foreign nationality, that is speaking the respective foreign language, has no significant effect on employers’ rating (Model 1 in Table 1). Prima facie, this might seem good news, however, from a rational point of view, employers who act rationally should try to maximise the productivity of their employees. Thus, disregarding additional human capital, is counter-intuitive, and could thus be interpreted as a form of discrimination as expected in our hypothesis H2. Moreover, it should be noted that HR managers are the least likely case for testing our hypotheses and that less trained staff could be expected to act in an even more discriminatory fashion.

Table 1: Effect of retaining social attachment to the country of origin (hobby)

<table>
<thead>
<tr>
<th>DV: Rating</th>
<th>Model 1 Cultural attachment</th>
<th>Model 2 Social attachment</th>
<th>Model 3 Strong attachment (social and cultural)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Swiss</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spain</td>
<td>-0.070 (0.093)</td>
<td>-0.027 (0.077)</td>
<td>-0.012 (0.069)</td>
</tr>
<tr>
<td>Polish</td>
<td>-0.199* (0.093)</td>
<td>-0.166* (0.076)</td>
<td>-0.125* (0.069)</td>
</tr>
<tr>
<td>Turkish</td>
<td>-0.346*** (0.092)</td>
<td>-0.210** (0.074)</td>
<td>-0.203** (0.068)</td>
</tr>
<tr>
<td>Foreign language</td>
<td>-0.074 (0.091)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spanish # foreign language</td>
<td>0.117 (0.129)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Polish # foreign language</td>
<td>-0.007 (0.130)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Turkish # foreign language</td>
<td>0.147 (0.130)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cultural hobby</td>
<td></td>
<td>-0.002 (0.105)</td>
<td></td>
</tr>
<tr>
<td>Spanish # cultural hobby</td>
<td>0.052 (0.148)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Polish # cultural hobby</td>
<td>Turkish # cultural hobby</td>
<td></td>
</tr>
<tr>
<td>--------------------------------</td>
<td>-------------------------</td>
<td>--------------------------</td>
<td></td>
</tr>
<tr>
<td>Cumulative distance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spain # cumulative distance</td>
<td>-0.135 (0.147)</td>
<td>-0.266* (0.150)</td>
<td></td>
</tr>
<tr>
<td>Polish # cumulative distance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Turkish # cumulative distance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>7.212*** (0.100)</td>
<td>7.176*** (0.092)</td>
<td></td>
</tr>
<tr>
<td>Controls for occupation</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>ln1_1_1</td>
<td>0.446*** (0.035)</td>
<td>0.446*** (0.035)</td>
<td></td>
</tr>
<tr>
<td>ln1sig_e</td>
<td>0.506*** (0.010)</td>
<td>0.505*** (0.010)</td>
<td></td>
</tr>
<tr>
<td>ll</td>
<td>-11533.04</td>
<td>-11530.15</td>
<td></td>
</tr>
<tr>
<td>Observations</td>
<td>5674</td>
<td>5674</td>
<td></td>
</tr>
</tbody>
</table>

Standard errors in parentheses

° $p < 0.10$, † $p < 0.05$, ‡ $p < 0.01$, *** $p < 0.001$

Second, as hypothesised in H2, Model 2 in Table 1 shows that retaining a strong social engagement with the own national community has a negative impact (not significant). In line with the expectation, this effect is exacerbated for those individuals who are perceived as being most distant from the Swiss background, i.e. candidates with Turkish sounding names who engage as chairmen in a Turkish cultural club. Again, a strong social engagement – as it is likely to be required from a chairman - should in theory be a good signal for an employer. Such an engagement may come with a series of desirable characteristics, such as social skills, commitment, and motivation, and which could be an advantage on the job. The likely explanation for the negative effect we find is that such an engagement increases the perceived distance from the in-group, and thus renders the candidate less attractive to a prospective employer. Interestingly, even though, the effect is non-significant we see that for the Spanish background candidates committed to being chairmen in a Spanish cultural association show a positive sign, which means that for particularly well accepted communities engaging in extracurricular activities may pay off.

Finally, we test the accumulation hypothesis (H3), which expects candidates with a foreign background to be disadvantaged even more if they retain a strong cultural and social attachment to their parents’ origin. In Model 3, we clearly see that the disadvantage is biggest for the Turkish and the Polish candidates, whilst for the Spanish individuals a strong cultural and social attachment does not lead to lower ratings.

Conclusions

Our findings show that non-native individuals who, have a profile that signals a higher level of social and cultural distance, measured in terms of language adaption and the effort made to engage in the Swiss civil society, are evaluated less positively than individuals who are perceived to be more integrated in the host society.

This finding is astonishing in two respects. First, from an employers’ perspective and in terms of rational cost-benefit calculation an employer should try to maximise the productivity of his or her enterprise by hiring staff who speaks an additional language.
on top of the national one and/or showing a strong level of engagement in social activities, as this kind of motivation and engagement is likely linked to a higher level of productivity. However, if we interpret these results through the lenses of social psychology and of statistical discrimination theory, what our study tells us is that individuals, who may be perceived as more distant from a host country encounter conspicuous levels of disadvantage.

Second, our results can be expected to be a conservative estimate of the disadvantage that candidates with a foreign background face on the labour market, as we tested our hypotheses on a sample of highly trained and professional HR managers. The fact that we find high levels of direct discrimination along the lines of background as signalled by a foreign name is worrisome. But, as our results show, this is not the end of the story. In fact, individuals who speak a foreign language and/or are engaged in a cultural association associated with a different national background face even more disadvantage – even though from a purely economic perspective both these activities increase a candidates’ employability.

We conclude that non-native candidates who disclose characteristics or activities that might be clearly linked back to their foreign origin may be disadvantaged. In this sense, we contribute to the literature on cumulative disadvantage by showing that particularly the accumulation of several characteristics that likely trigger the perception of a large distance to the host society are the most disadvantaged of all. This seems particularly important in an era of increasing migration pressure from countries that might be perceived as particularly distant from not only the Swiss but also the European society.

Future research might want to inquire to what extent, labour market disadvantage can be counteracted by proving formal integration, i.e. the acquisition of the host country’s nationality, which at least in Switzerland is a demanding process (Hainmueller et al. 2015). Moreover, labour market disadvantage may also be counteracted by specific social policies, including active labour market policies (ALMP), which might contribute to lowering the disadvantage of second-generation immigrants by increasing their employability (Liechti et al., forthcoming). Finally, analysing labour market integration difficulties encountered specifically by refugees, seems a very salient and important venue for future research.
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### Appendix

#### Table A.1: Vignette dimensions

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Level</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Personal information</strong></td>
<td></td>
</tr>
<tr>
<td>1) Gender</td>
<td>Male, Female</td>
</tr>
<tr>
<td>2) Age</td>
<td>35, 40, 45, 50, 55 years of age</td>
</tr>
<tr>
<td>3) Civil status</td>
<td>Single, Married, Divorced</td>
</tr>
<tr>
<td>4) Children</td>
<td>None, 1 child, 2 children, 3 children</td>
</tr>
<tr>
<td>5) Nationality (random allocation of names)</td>
<td>Swiss, Spanish, Polish, Turkish</td>
</tr>
<tr>
<td>6) Mother tongue</td>
<td>French/ German (depending on the region), French/ German and other language (Spanish/ Polish or Turkish for the foreign candidates)</td>
</tr>
<tr>
<td>7) Hobby</td>
<td>Nothing, Trainer for the local life-saving swimmers, Chairman of a Swiss/Spanish/Polish or Turkish cultural association, Volunteering for the Swiss Red Cross</td>
</tr>
<tr>
<td><strong>Work-related experience</strong></td>
<td></td>
</tr>
<tr>
<td>8) Education</td>
<td>Lower, Caretaker: compulsory schooling, HR-assistant: apprenticeship (EFZ/CFC) as merchandiser, Accountant: apprenticeship as merchandiser and federal diploma in Controlling and Accounting</td>
</tr>
<tr>
<td></td>
<td>Higher, Caretaker: Apprenticeship (EFZ/CFC) as caretaker, HR-assistant: Federal Matura, Bookkeeper: BA in business administration</td>
</tr>
<tr>
<td>9) Work experience</td>
<td>Private sector, Public sector</td>
</tr>
<tr>
<td><strong>Labour market related information</strong></td>
<td></td>
</tr>
<tr>
<td>10) Channel of application</td>
<td>Advertisement (reference category), Unsolicited application, Referral by the local job center, Referral by an employee</td>
</tr>
<tr>
<td>11) ALMP participation</td>
<td>Nothing, Training, Caretaker: further education in facility management, HR-assistant: Further education in HR management, Accountant: CAS in accounting, Adapted employment programme: participation in a practice company, Non-adapted employment programme: recycling of old clothes, Subsidy: 40% of the salary is paid by the local job centre for the first 6 months</td>
</tr>
</tbody>
</table>
Table A.2: Correlation between Vignette Dimensions

<table>
<thead>
<tr>
<th>Vignette dimensions</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 ALMP</td>
<td></td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Channel</td>
<td>0.020</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Gender</td>
<td>0.014</td>
<td>0.009</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 Age</td>
<td>0.019</td>
<td>0.012</td>
<td>0.011</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 Children</td>
<td>0.012</td>
<td>0.011</td>
<td>0.026</td>
<td>0.015</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 Civil Status</td>
<td>0.021</td>
<td>0.008</td>
<td>0.014</td>
<td>0.029</td>
<td>0.009</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7 Hobby</td>
<td>0.015</td>
<td>0.015</td>
<td>0.011</td>
<td>0.019</td>
<td>0.011</td>
<td>0.006</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8 Education</td>
<td>0.013</td>
<td>0.016</td>
<td>-</td>
<td>0.019</td>
<td>0.006</td>
<td>0.014</td>
<td>0.015</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9 Nationality</td>
<td>0.014</td>
<td>0.012</td>
<td>0.008</td>
<td>0.012</td>
<td>0.019</td>
<td>0.012</td>
<td>0.024</td>
<td>0.006</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 Experience</td>
<td>0.006</td>
<td>0.021</td>
<td>0.000</td>
<td>0.010</td>
<td>0.013</td>
<td>0.008</td>
<td>0.006</td>
<td>-</td>
<td>0.013</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11 Language</td>
<td>0.020</td>
<td>0.009</td>
<td>0.000</td>
<td>0.019</td>
<td>0.010</td>
<td>0.004</td>
<td>0.020</td>
<td>0.000</td>
<td>0.015</td>
<td>-</td>
<td>0.011</td>
</tr>
</tbody>
</table>

Note: All variables are categorical, Cramer’s V is reported, all correlations are not statistically significant.
Figure A 1: Distribution of the dependent variable rating

1. Kernel density estimate for rate_HR with a normal density: (plot)
   - Kernel density estimate
   - Normal density
   - Kernel = epanechnikov, bandwidth = 0.4502

2. Kernel density estimate for rate_Acc with a normal density: (plot)
   - Kernel density estimate
   - Normal density
   - Kernel = epanechnikov, bandwidth = 0.4448

3. Kernel density estimate for rate_CG with a normal density: (plot)
   - Kernel density estimate
   - Normal density
   - Kernel = epanechnikov, bandwidth = 0.4310
Table A3: Description of tasks for the different occupations

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Caretaker</td>
<td>Stellen Sie sich bitte vor, Sie haben in Ihrem Unternehmen eine freie Stelle als Hauswart/in zu besetzen. Die Aufgaben umfassen folgende Bereiche: Reinigung des Treppenhauses (inkl. Fenster, Rahmen, Geländer), kleinere Reparaturen (Glühbirnen auswechseln etc.), leichte Gartenarbeiten (Rasen mähen, Hecke schneiden, Unkraut jäten). Sie sind in den Rekrutierungsprozess involviert und werden gebeten, die nachfolgend beschriebenen Kandidaten zu evaluieren. Alle Kandidaten haben die obligatorische Schulzeit in der Deutschschweiz abgeschlossen, sind zurzeit seit 6 Monaten arbeitslos und haben ihre frühere Stelle aufgrund der Schliessung des Betriebes verloren</td>
</tr>
</tbody>
</table>