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Summary

In this doctoral thesis the outcomes of direct and indirect job mobility against the background of the institutional settings of the UK and Germany are investigated. This thesis contributes to research on job mobility in several aspects. First, it systematically discusses the implications of the theoretical models against the institutional settings of the British and German labor markets. Secondly, it (re-)formulates labor market theories for the job beginners. Finally, it takes a closer look at the consequences of unemployment on post-unemployment career for different educational groups.

The results of the first and the second studies showed that direct job mobility that is mainly initiated by voluntary job termination improves wages in the long run. However, direct job mobility is less common and the rewards are much smaller in Germany than in the UK. Higher rewards for direct job mobility in the UK than in Germany are in line with argumentation that the ‘job shopping’ perspective is more appropriate to describe career patterns of a flexible labor market with less standardized educational/vocational degrees. Job mobility via unemployment in the UK is rewarded by wage increases at re-entry into the labor market and remains positive for subsequent years. The positive rewards of off-the-job search support the job shopping perspective for the UK. In Germany the scar effect of unemployment

is high not only upon re-entry into the labor market, but even increases in the following years. The wage penalties are high irrespective of the reasons for job termination (voluntary decisions, involuntary decisions or fixed-term contracts).

While in the first and the second studies the average effect of unemployment on the future employment career was investigated, in the third and fourth study investigates the implication of unemployment on different educational groups in the UK and Germany. Non-standardized, on-the-job training and screening strategies on the job are common in the UK, which results in low occupational starting positions. Higher aspirations, higher levels of savings and family support allow high-educated people to wait for better job match. For poorly educated workers, ample supply of labor, the low level of unemployment benefits from previous salaries, the regime of sanctions, and low family support push them to take the first available job. In Germany a strongly skill- and occupation-based labor market with robust EPL creates a strongly segmented insider-outsider labor market that reduces overall occupational mobility. The 'trial and error' strategy to improve initial positions in rigid labor markets is less common than in liberal countries and the stigma attached to unemployment might penalize all workers irrespective of their educational achievements. Furthermore, because of the rapid depreciation of occupational skills of high-educated workers a prolonged unemployment phase might be more scarring for them than for low-educated workers. All in all the third and the fourth study support argumentation for the UK and Germany.