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Non-Pecuniary Determinants of Occupational Choice in the Entertainment and Sports Industry: A Ghana Study

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Abstract

The price of labour is the wage rate, and it is this wage rate that determines the labour market outcomes (labour demand and supply) in a perfectly competitive labour market *ceteris paribus*. However, beyond the wage, there are several other factors that influence one's choice of occupation and sector of economic activity. This current paper employed a purposive sample of 150 professionals from the music, film, and football industry with the aid of a structured questionnaire. The multinomial logit regression estimation techniques based on a purposive sample of individuals in the entertainment and sports industry was conducted to investigate the non-pecuniary determinants of occupational choice in these industries in Ghana. The study provides empirical evidence to suggest that age, educational background, parental background, geographical context as well as talent significantly influence an individual's choice of occupation in the industry. The study concludes with the assertion that apart from wage as a major driving force of career choice, which in the study is even insignificant, there are other non-pecuniary reasons why an individual will engage in entertainment or sports as a career or profession.

Keywords: Occupation, Choice, Entertainment, Sports, Human capital, Parental, Talent, background, Education, Multinomial Logit

INTRODUCTION

Wages and earnings has been a constant source of interest to labour economists. Occupation is a way of life which moulds one's character, determines one's social status, income, style of life, choice of friends, and mental and physical health. According to Harper and Haq (1997), "the occupational attainment of an individual will be a major determinant of their levels of consumption, self-esteem, and their general status in society," (p. 638). This means that there is a persuasive link between one's choice of occupation and entire way of life. The individual's environment, passion and interest, their parental background and level of education and training also go a long way to determine the career choices they make.

Entertainment and sports in Ghana are occupations that have exposure effect and can make an individual easily recognizable in society apart from politics. In Ghana and world over, people know their footballers, movie icons, and musicians than they know their politicians. It is relatively easier to attain social status or recognition with these professions (football, music, and acting) than other professions like banking, teaching, marketing, etc. People watch televisions, read the print media and they identify with role models and people they want to become with regards to their social status. Baah-Boateng (2009) explored the occupational choice in Ghana in which case he controlled for some of these variables like the parental background and education variables. Some scholars have propounded theory of child development and choice modelling (Ginzberg et al., 1951; Holland, 1958; 1985; 1987). Other studies have also explored the wage-employment choice nexus as well as the education and sector or job choice linkages (Baah-Boateng, 2009; Nyaga, 2010). Most have concluded that wage is a driving factor in people's choice of occupation, especially in most studies of the white colour jobs.

Review of literature reveals no indication of the economic perspective of the non-pecuniary (non-wage) factors of occupational choice in the sports and entertainment industry in Ghana being explored. Although Baah-Boateng (2009) explored the occupational choice process in Ghana, his work was however general in scope and it was estimated primarily to pave way to analyse occupational segregation as its main focus was on the gender discrimination in the Ghanaian labour market. It is therefore imperative that educators and public policy officials learn more about the non-pecuniary factors that influence our young people's aspirations to professional and non-professional careers. People land themselves in a particular occupation not because they have the passion to or because it necessarily pays well. In the development of equitable curriculum and the enhancement of culturally responsive educational practices, it is necessary to understand how the role of identity and the perceived expectations of parents and teachers, and other non-pecuniary factors that influence the occupational choice of young adults Amerson (2012), especially in the Africa setting. It is in view of this and many others that this work sought to explore the entertainment and sports industry in Ghana and expose the economic nature of job choice in these industries to also pave way for some studies in the area. As we learn more about their decision process, we may develop more insight into education, counselling, and training of our young people for higher-level productive careers in the sports and entertainment industries.

This paper seeks therefore, to establish that, beyond wage as a driver of occupational choice, there are other non-pecuniary factors that turn to influence individual's decision to choose a particular occupation. The study specifically aims to examine 1. how wage significantly affects choice of occupation in the industries of study, and 2. the effect of non-wage factors like parents' occupation as well as demographic characteristics such as age, education, role model, and individual talent on choice of occupation in football, music and acting (filming). The paper is structured into five sections. The second section reviews literature from the study area. The third section of the paper looked at the methodology and data source. Section four provides the empirical results and discussion followed by section five which presents the summary and conclusion to the paper.

LITERATURE REVIEW

Many studies have attempt to find out the factors that are related to labour market outcomes. Some of the studies in labour economics literature also address issues of occupational choice and non-pecuniary factors using various econometric models like the Multinomial logit and probit model, and several other models. There has been considerable interest in the analysis of the occupational choice of individuals over the last decade (Brown et al, 2005).

Wells et al, (2009) in examining the effects of personality factors, parental social status, and Human Capital on the attainment of a white collar occupation employed the binary probability model using Household Income and Labour Dynamics in Australia (HILDA) panel survey data. The findings revealed that education plays a significant role in white collar occupations and that parental status also produces interesting effects on individual occupational outcomes. With regards to human capital theory, both age and education were found to have a significant influence on occupational attainment, where university education increase the probability of an individual attaining a white collar occupation. Conversely, it can be inferred that with football career, which is obviously a blue collar occupation, an individual's choice to enter football reduces as one climbs higher on the educational ladder. Baah-Boateng (2009) also confirmed the influence of education on the career choice of an individual. Findings from his study indicates that higher education tend to discourage people from choosing agriculture as an occupation. Other studies also found significant impact of education on job choice. For instance, Hennessey and Rehman (2007) employed a multinomial logit model and a stratified random sample of 1200 Irish farms and found significant negative relationship between higher education and the choice of full-time farming as an occupation.

Parental background which is the first agent of socialization plays a major role in the career choice of individuals in the sports and entertainment industry. Udoh and Sanni (2012) revealed that the parent variables exert influence on the career choice of 200 secondary school (SS) 3 students. The study employed the simple random sampling technique in obtaining data from a sample of 200 SS3 students from 11 public secondary schools in Nigeria. This observation is confirmed by Onyejiaku (1980) who maintains that it would be wrong for one to assert that the family has completely lost its influence on the vocational life of its members because directly or indirectly, it still has that influence. This is also confirmed in a Ghanaian study by Bofa (2012) and Baah-Boateng (2009). Bofa (2012) found significant

influence of parental occupation on choice of occupation where the effects differ for sexes. Baah-Boateng (2009) also argued that influence of family background is evident in a typical Ghanaian society where children are seen learning some informal occupation from parents and taking over in future. Nyaga (2010) also accords with the view that parental background of parents play a role in the career choice process of an individual in Kenya. Other studies that found significant influence of parental background on occupational choice included Solon (1999), Harper and Haq (1997), Connolly et al. (1992) among others.

Contrary to the influence of parents in the career choice process, especially in the teaching profession is the study by Newby et al (1995). They administered to a sample of 863 students of colour. Findings from the study showed that female value the teaching profession and even rated the profession as more important than the male counterparts. The influence of significant others on the pursuit of teaching career was reported by more males than female. On overall findings however, it was shown that a higher percentage of the sample reported that their decision to pursue teaching profession was influenced by no one.

Simpson (1996) using 238 bar-certified African American women lawyers as a sample conducted a study to determine the factors influencing the choice of law as a profession by African American women. The study came out with an overall finding that showed that family, cultural values and positive role models have significant impact on the career choice or career development process of these women.

METHODOLOGY

Model Formulation and Estimation Strategy

The model formulation for this work takes the form of that employed by Baah-Boateng (2009) in estimating the determinants of occupational choice using a Multinomial Logit (MNL) approach. The study assumed that all available occupation types are potentially principal occupations for any given individual such that one is assumed to engage in only one of the available occupations. We assume the utility index of the individual is given as $U_{ij} = V_{ij} + \varepsilon_{ij}$ (1), where U_{ij} is the true utility of individual i for selecting the j th occupation, V_{ij} is the systematic utility (observed or deterministic) component derived by individual i for choosing occupation j , and ε_{ij} being the portion of the utility unknown to the analyst, the unobserved, idiosyncratic or stochastic part. The i th individual chooses to work in the j th occupation if the utility index, U_{ij} is greater than that of the utility derived from any other occupation. That is $U_{ij} > \tilde{U}_{ij}$ where \tilde{U}_{ij} represents the utility derived by the individual for selecting any occupation other than the one selected.

The MNL is an “attractive approach being consistent with notions of random utility maximization, easy to specify and straightforward to estimate” (Brown et al, 2005). The multinomial logit model is the simplest multinomial model proposed by Luce in 1959. This method is proposed for the study because of the nature of regressors employed in the model. The MNL is applied for models where regressors employed do not vary over alternatives. In this work however, the regressors (occupational factors) are the same across the alternatives (i.e. occupational choices).

The mathematical form of a discrete choice model is determined by the assumptions made regarding the error components of the utility function for each alternative. The MNL gives the choice probabilities of each occupation as a function of the systematic portion of the utility of all the occupations. The general expression of the probability of choosing a particular occupation “j” from the set of J occupations is given as $P_{ij} = \frac{e^{V_i(j)}}{\sum_{i=1}^J e^{V_i(j)}}$ (2)

where, P_{ij} is the probability of the decision-maker i choosing occupation j , V_{ij} is the systematic utility component derived by individual i for choosing occupation j as already defined.

Given that the utility index on each occupation type is given as $V_i(j) = X_i' \beta_j$ (3), where X_i is a vector occupational choice factors, β_j is a vector of unknown parameters indexed on the utility function. Substituting (3) into (2) gives the expected probability of the i th individual choice of occupation

j among the k occupations as $P_{ij} = \frac{e^{X_i' \beta_j}}{\sum_{i=1}^J e^{X_i' \beta_j}}$ (4). The sum of all probabilities equals unity (i.e.

$\sum_{i=0}^J P_{ij} = 1$). Putting (4) in terms of log-likelihood, we have the Log-Likelihood function (L) to be, $L(\beta) = \sum_{i=0}^n \sum_{j=0}^k X_i' \beta_j - \ln (1 + e^{X_i' \beta_j})$ (5), where X_i and β_j are already defined and \ln is the natural logarithm. We then compute the selection probability for each occupation by maximizing equation (5) with respect to β_j for a given sample data we obtain the various parameter estimates.

The study proposes to estimate the following equation based on the theoretical framework discussed:

$$OCC_i = \beta_1 + \beta_2 AGE_i + \beta_3 W + \beta_4 EDUT + \beta_5 PAB_i + \beta_6 ROM_i + \beta_7 TAL_i + \varepsilon \dots\dots (6)$$

The dependent variable in the model is Occupation (OCC). The various occupations under consideration are football, music and acting which takes three values: 1 = acting, 2 = football, and 3 = music.

AGE = the age variable which is measured in years based on the individual’s last birthday.

W = wage/monetary reward for the supply of labour hours.

EDUT = the highest level of education of the individual

PARB = parental background of the individual. Thus, whether the parent had similar occupation as offspring.

ROM = role model. Measured in terms of whether the individual had a role model in current occupation or not.

TAL = talent of the individual, measured how strongly they believe their choice of occupation was driven by talent.

$\beta_i (i=1,2,3,\dots, 7)$ represents vectors of coefficients of controlled variables and ε denotes the stochastic disturbance term.

Data Source and Descriptive Statistics

This study uses primary data as the main data. The method of data collection was basically a survey with questionnaire administration as the main instrument for data collection. The questionnaire was guided by that designed by Udoh & Sanni (2012) and that of Borchert (2002). A purposive sampling of 50 footballers from the Accra division side of the local premier league, 50 musicians of all genres from the Musicians Association of Ghana (MUSIGA), and 50 actors and actresses from Ghallywood and the Ghana

National Theatre, making a total of 150 professionals for the study. The choice of the sampling size is informed by time and financial constraints.

Out of the 150 respondents, 32 individuals, representing 21.3% of the sample population were females and 118 (78.7%) were males. The results also indicated that all respondents have some form of formal education. The educational level ranged from none to other, with none being the least and other¹ the highest level of education as far as this research is concerned. The data on education revealed that 3.3% have master's degrees (others), and 31.3% of the sample population had Senior Secondary Education. The majorities (34.0%) of the respondents were reported to have Tertiary level education and those with the Primary level of education were 10%. Footballers dominated the lower levels of education which means that there was probably no upgrading in education since education is not a necessary nor a sufficient condition to enter into professional football.

RESULTS AND DISCUSSIONS

Discussion of Empirical Results

The estimation was done with music as the base occupation. The multinomial logit model successfully identified some significant variables of the occupational choice model. The estimation of the MNL using STATA (version 14.1) are presented in table 1 followed by a critical analysis of the result. At a 1 per cent level of significance, the overall goodness of fit (LR) is found to be highly significant implying that the logistic model fits the data well. Again the Pseudo R² also known as the Likelihood Ratio Index (LRI) is equivalent to R² in a Conventional OLS regression model. A Pseudo R² of 0.4917 passes the Carson and Mitchell's proposed Pseudo R² criterion. This means that the model explains almost 49 per cent of the variation. This means that the estimation of the model can be considered reliable. This proceeds the discussion of the results.

To begin with, the results show a significant relationship between age and the probability of entering football as well as music. An increasing age reduces the likelihood of an individual engaging in football and increases that of engaging in music. The negative relationship between age and the probability of entering football is justified on the grounds that football has an age limit of entry, all things being equal. Hence, the likelihood of qualifying to play professional football reduces with age. However, music has no age limit of entry which explains why an increasing age increases the probability of engaging in music.

The results for wage shows the insignificance of pecuniary factors on the likelihood of choice of sports and entertainment career. This captures the core of the study which looks beyond monetary benefits (i.e. wage) as a major motivation to choice of career. It indicates that wage has no influence on an individual's choice of occupation in these industries.

Individuals with tertiary education are less likely to be footballers and more likely to be actors. Initially, education reduces the probability of entering into football career by 35 per cent at the tertiary level but increases the chance of going into acting by almost 44 per cent. This means an extra year of schooling

¹ Others refer to those with Master's degree as highest tertiary level of education,

(from Secondary to tertiary level) reduces the likelihood of going into football but increase the likelihood of choosing acting as a profession. The results for football parallels that of Wells et al (2009) and Baah-Boateng (2009). According to Baah-Boateng (2009), higher education tend to discourage people from choosing agriculture as an occupation. Conversely, it can be inferred that with football career which is obviously a blue colour job like agriculture, the higher an individual climbs the academic ladder, the lower his/her preference for football career. The relationship is accounted for by the age of the individual. This negative effect has age implications as explained for the age variable. However, the positive relationship between educational background and training conforms to apriori expectation but contradicts Bofa (2012) who revealed that education strongly affects choice of employment in paid occupation than self-employment. There is more to learn from music in formal education, hence the positive relationship whereas, football requires minimum talent.

The results also show a significant non-linear relationship between parental background and the probability of entering the acting and music profession but insignificant for football. Parent background increases the probability of an individual's choice of acting as a profession directly by 55 per cent but inversely for music by almost 47 per cent. According to Bofa (2012), the parental background of fathers has a direct and inverse relationship on female and male occupation respectively. For the occupational distribution of sample employed for the study, there were more females (68%) and males (32%) in acting and more males (84%) than females (16%) in music. This could account for the effect of parental background on the choice of music and acting occupation since the father's mostly dominate in influencing the occupational decisions of their offspring in Africa and Ghana for that matter.

Table 1: Multinomial Logistic Result on the Likelihood of Choosing Occupation

Independent Variable	FOOTBALL		ACTING		MUSIC	
	Marginal Effects	Standard Error	Marginal Effects	Standard Error	Marginal Effects	Standard Error
Age	-0.0199***	0.0074	-0.0008	0.0066	0.0208***	0.0078
Wage	-0.0223	0.0299	-0.0476	0.0508	0.0700	0.0525
Basic	0.0322	0.0991	-0.0219	0.1619	-0.0103	0.1653
Secondary	-0.0843	0.0785	0.2449	0.1966	-0.1606	0.1925
Tertiary level	-0.3525***	0.1177	0.4389**	0.171	-0.0864	0.1883
Parental Background	-0.0804	0.0527	0.5458***	0.1349	-0.4654***	0.1327
Role Model	-0.0252	0.0331	-0.477	0.0516	0.0729	0.0544
Talent	0.1106*	0.0633	-0.0213	0.1201	-0.0893	0.121

Number of observation = 150
 LR chi2(12) = 162.07
 Prob > chi2 = 0.0000
 Log likelihood = -83.757788
 Pseudo R2 = 0.4917

Note: ***,**,* signifies 1%, 5%, & 10% respectively

Source: Author's computation from Stata Output, 2016

Contrary to expectations and findings by Simpson (1996), role models play insignificant role in the career choice process. It had no effect on choice of occupation. This clearly show the weak link between role model and people's choice of occupation in Ghana, probably due to the strong effect of other sociological and biological factors like parental background and peer influence amongst others.

Furthermore, talent enters the regression positively for football and negatively for acting and music career. It implies that football talent increases the prospect of entering football but decreases that for acting and music. The results for football is significant at 10 per cent but insignificant for acting and music. The relationship between talent and the choice of occupation can be attributed to the fact that football require minimum talent compared to acting and music where an individual can actually learn to act and sing through formal education. The insignificance of talent in the acting and music career is explained by the fact that acting and singing talents are relatively not easily identified in Ghana and Africa for that matter. An individual talent in football according to the results increases the likelihood of becoming a professional footballer by 11.1 per cent. The low marginal effect is attributive to the fact that talent alone is nothing. Because an un-nurtured talent is as bad as no talent.

CONCLUSIONS

Our analysis suggests that a number of factors have been empirically identified to influence individual's choice of occupation into the entertainment and sports industry in Ghana. It is evident that wage does not necessarily influence choice of occupation in all careers. The insignificance of wage variable therefore indicates the influence of non-pecuniary factors in determining an individual's choice of occupation in some industries. However, there is more to the issue on occupational choice, especially within the supposed blue colour jobs. Evidently, age, education, family, and talent has a role to play in an individual's choice of occupation within the entertainment and sports industry. Implicitly, there are factor beyond pecuniary benefits that have strong bearing on an individuals' career path or choice. The insignificance of wage variable therefore indicates the influence of non-pecuniary factors in determining an individual's choice of occupation in some industries. It is therefore imperative that career counsellors, parents, educationist and other key stakeholders focus on the cognitive development of individual to help them become highly responsible and rationale in their career and occupational choices. It is also important to explore and expose the psychological and social nature the young ones in order to know inform their career decisions. This will require the collaborative effort of parents, teachers, peers, educational agents, and policy makes in devising structures, educational and extra curricula models in optimizing the career potentials of individuals. It is also paramount to strengthen the educational system by promoting vocational and technical curricula to identify and nurture great talents in various fields of work. To strengthen the sports system in Ghana, it is equally important for sports academies to promote some basic level of education by ensuring that athletes gain some minimum level of education while playing football.

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